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No.1 Autumn 2004

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Thought

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No.1 Autumn 2004

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Editor's Note

The monthly journal of Echo of Islam used to concentrate on the latest developments in the world of Islam and the international developments affecting the Islamic world. Due to the fact that electronic media are outpacing the print media, and in order to catch up with the latest intellectual developments in the world, we have decided to concentrate more on the intellectual aspects of international developments and their bearings on the Islamic world and the Muslims.

Now on, the Thought will provide the readers with a platform for intellectual debates and discussions. The readers and interested thinkers are welcome to send their scholarly papers to the Echo of Islam in order to enrich these debates and discussions. Our policy is to print the incoming papers without any interference only to prepare the grounds for profound debates and discussions.

Naturally, there are advocates and opponents of every intellectual trend in the world. Unless we listen to the both sides carefully, we cannot reach a logical, rational conclusion. The holy Qur'an instructs all human beings to carefully listen to what is said and choose the best among them. Following the said Qur'anic advice, we are ready to print the papers of the opponents and advocates of any subject we choose for our future issues.

Our next issue will be concentrating on the subject of peace. The interested authors are requested to send their papers along with a short bio-data via email to save time and catch up with the time of publication of the quarterly.

Editorial

The term globalization has drawn the attention of a large number of intellectuals as well as the common people across the globe. Like any other topic lending itself to intellectual debate and discussion, globalization has been a subject of hot debates and discussions not only at the academic level, but also at the level of policymaking decision-making.

There are four approaches to the process of globalization. On one extreme of the spectrum there are advocates of globalization who consider it a unique opportunity for the entire mankind to integrate in a single cultural, social, economic and political system, preparing the grounds for the materialization of a global village. On the other side of the spectrum there are the opponents of globalization who have gone to the extreme of calling it the "Coca-Colization" of the world, the "cultural invasion", the "highest stage of capitalism", etc. Yet there are others who have chosen the middle path: they argue that globalization as a process is positive and natural, but they do not approve of the term globalization, rather prefer to term it the process of globalism. They too argue that globalization is a project, not a process, masterminded by the capitalists and imperialists to unify all the cultures, norms,

values and customs, undermining the religious, national, ethnic and cultural identities of the nations. They consider globalization a project whose main objective is elimination of the religious, national, ethnic and cultural identities of other nations. Hence, they advocate the process of globalism and commend its outcome, if the process is not controlled by a single nation or government. The forth group argues that the process of globalization has provided mankind with certain opportunities, but at the same time posed some serious threats against certain nations. This trend of intellectual endeavor argues that the developing countries must carefully welcome this trend: they should utilize the opportunities and beware of the threats posed against their culture, religion and identity.

The present issue of the quarterly Echo of Islam tries to provide the readers with some serious viewpoints about this trend. Any criticism of the articles of this issue will be printed in the next issue in the column assigned to "Letters to the Editor".

Globalization: Approaches and Solutions

Dr. Mohammad Reza Majidi

Introduction

Despite academic and media analysis of the concept of globalization, discussions about this topic has still preoccupied the scientific and decision-making centers in Iran. Some governmental institutions have been instructed to compile the principles and intellectual fundamentals as well as approaches that prepare the grounds for appropriate decision-making and policy-making in this field. Hence it is necessary to study this topic from various viewpoints and shed light on its different angles in the light of its strong and weak points as well as opportunities and threats.

The Islamic Revolution took shape on the basis of universal ideas of Islam. The message of Islam is universal and is not confined to the parochial territorial, ethnic, and racial frameworks. Simultaneous with the victory of the Islamic Revolution in the later decades of the twentieth century, rapid technological developments formed an

interdependent world and there was ample talk of the concept of globalization to the extent that these decades were called the era of globalization, for during those days the issue of globalization occupied a major chunk of scientific discussions and debate in the world and a large number of books and articles were written about it and still hot discussions are going on in the scientific circles and universities of the world. In practice we observe the popular opposition, particularly by the workers and peasants, students and environmentalists. There are a number of cultural questions and ambiguities about this concept and related terms. The political and scientific elite, the academic circles and policy-making centers and officials as well as the media and even the common citizens talk about it.

Regarding the nature of globalization, despite the fact that there are several works on this topic and their number is increasing everyday, there is not yet any single definition about globalization and there is no consensus about it among the scholars. Just like other theoretical subjects, this topic too faces a kind of ambiguity. In fact it is very difficult and somehow ambitious to give a clear definition of the term globalization.

Anthony Giddens, the renowned British sociologist, maintains that this concept has hardly been understood. Some other writers believe that this concept has no meaning or the concept of globalization is a new

term for the phenomena already known with other names.[1] There are various viewpoints about globalization, each focusing on a specific aspect. Some writers maintain that the main feature of globalization is fundamental changes in the global capitalist order in the arenas of production, distribution, trade, finance and technology which can be termed as transition from organized capitalism to unorganized capitalism on global level. In other words, they define it as a process which is creating a new social atmosphere.[2]

Paul Cook and Colin Patrick pay attention to the considerable enhancement of interdependence of the countries. They define globalization as such: Expansion of various relations and ties among the governments and societies that form the global system. Globalization is a process through which events, decisions, and activities of one part of the world can have some implications for the societies of a completely distinct part of the world.[3] In fact globalization is defined from various angles, but most of the definitions pay attention to the communication aspect. From this angle they consider globalization as a concept that refers to the shrinking of the world in time and space.

On the basis of a definition, globalization is a predictable move for commencement and correction of the information dissemination

movement by new information technologies at regional and international levels.[4]

Anthony Mcgrew confirming that globalization is a multidimensional phenomena,[5] pays due attention to the issue of communication, defining globalization as the increasing mutual communication. He introduces the following items as the components of his definition:

1 Under the conditions of globalization, social, political and economic activities influence and are influenced by the trans-national events.

2 – Globalization intensifies mutual interactions, creating a new global system.

3 – The growth of intensity and extent of communications leads to the elimination of the distance between domestic and international issues. In fact communications become so deep that the people on the side of their local lives feel a global aspect of their lives as well.

4 – Growing communications create some issues at transnational level which can be settled and handled only through global cooperation (proliferation of weapons and the problem of drug trafficking are among such issues).

5 – The volume and intensity of communications create an intertwined network between the governments and international institutions, communities, non-governmental organizations, and multinational corporations. These networks lead to the creation of global system and

this system creates systemic limitations for the activities of the actors, reducing their autonomy.[6]

Of course the explanations given under the said definition are the consequences of globalization that have been referred to by -Mcgrew and that we will take up below.

Globalization has also been defined from other aspects. Many thinkers have defined globalization only from economic point of view. For instance, on the basis of a definition, globalization means economy, development and domination of an economic production system on the societies of the world. Although this system does not rely on a single country, or a single source of economic-political power, it is mainly under the influence of the most powerful and effective economic-political units in the world.[7]

On the basis of another definition, globalization in simple language means unity of market, labor and production market, money and capital.[8]

Cultural globalization has been defined as a process that facilitates the transformation of cultural features to a part of the global cultural order and consequently the local cultures will be either eliminated or renovated.[9]

Many thinkers maintain that globalization in its cultural aspect is unification of various cultures and formation of a single global culture. This definition has drawn lots of criticisms and many consider the formation of such a culture neither possible nor likely.

From political point of view, globalization means dilution of national borders, move towards a global government and reduction of the roles of nation-states in the interest of the transnational corporations. In political aspect of globalization attention is paid to the role of governments in the new world and many maintain that globalization will weaken or even cause the disintegration of the states. On the contrary, some others maintain that this will never happen. Indeed the phenomenon of nation-state has drawn the attention of the scholars in most definitions of the globalization.

Overall, the best and most comprehensive definition of globalization is the one which pays attention to all aspects and looks at the issue from different aspects in a holistic approach. Without any doubt globalization has various consequences in various fields. For instance one cannot look at the cultural globalization without paying attention to political or economic aspects of globalization.

Globalization or Globalism?

One of the fundamental questions about the concept of globalization is whether this phenomenon is a process stemming from the processes of development of human societies through the passage of time, or is it a project that has been designed by some Western countries for whose prosperity the great powers play a great deal? In sum, is globalization a project or a process?

The opponents of globalization, particularly in the South, consider it a brainchild of the strong industrial countries through which they try to dominate and exploit the underdeveloped world.

Contrary to the opponents, the advocates of globalization consider it an unavoidable process in which all countries are allowed and at the same time forced to accompany it and would enjoy its numerous advantages as well.

Commenting on whether transformation of the world into a single space should be considered a Western project, B. Oxford, alluding to a statement by Giddens, says: Giddens unhappily refers to the fact that the consequences of modernism entails nothing except the expansion of Western institutions across the world along with the elimination of the local cultures.

He maintains that the global processes more than expanding modernism have functioned as its accelerator.[10]

Another definition put forth in this regard is: globalization is a process in which some big powers decide in the direction of their own interests to prepare a conscious plan and define some objectives for this process. In fact they overburden the project of protection of their own interests on this process. Just like mounting the project of colonialism on development and progress in the past.[11]

Probably the following definition of globalization may seem more interesting: globalization is just like a tumultuous river that the more it goes forward, the more it becomes tumultuous and those who are equipped with appropriate tools and capabilities can ride and utilize the wave better than those who lack such tools.

Without any doubt, one cannot overlook the role of the big powers in this process, for some of these powers wish to change the direction of globalization in their own interests.[12] However, it does not mean that the entire globalization process has been created by the West. Evidently, the big powers and the rich have taken any opportunity in the course of history to increase their power and interests. Currently, the West, relying on its capabilities and power in various aspects (particularly with regard to production of idea and creativity), tries to

manage this process towards its own interests. It does not mean that weaker countries do not utilize this process, but the level, degree and kind of interests vary from one country to another.

Backgrounds of Globalization

A) Information Revolution – The considerable expansion and development of information technology has turned the world into a global village and it is no more possible just like in the past to close the doors and follow policies hidden from the eyes of others.

The growing power of computers, computer software and revolution in the realm of information technology in various ways has in effect helped the condensation of the world. The transportation of goods, financial and personal currents have become very rapid due to the technological progress (particularly in the field of information technology)[13] to the extent that information revolution has prepared the most appropriate grounds for acceleration and signification of globalization.

B) Economic backgrounds – Free flow of capital and goods, considerable increase in the commercial and economic communications on global scale, rapid growth of multinational

corporations, dilution of national borders, growth of the volume of financial markets, more and more internationalization of capital, dilution of the indigenous nature and color of the goods, reduction of expenses, and finally integration of industrial and economic markets of the world,[14] all and all have played an important role in signification of this process.

The formation of GATT (General Agreement on Tariffs and Trade) in October 1947 (Ottawa Conference) was a great stride towards globalization (particularly from economic point of view). But the formation of the World Trade Organization (WTO) after the Uruguay Round of Talks was a turning point in the signification of globalization. The activities and role of this organization increased during the 1990s. Hence, many thinkers call the 1990s the decade of globalization.

GATT had 102 members in 1990 while the numbers of the WTO exceeded 134 in 1999[15] and consequently the trade of goods and services increased quickly.

C) Intellectual-political background – The disintegration of Soviet Union, the decline of communism, and introduction of liberal democracy as the dominant ideology of the world prepared a suitable ground for globalization. With the decline of communism - the rival

model of capitalism - liberal democracy came to the fore as the only model that claims to be able to fulfill all demands of man and tries to expand its domain across the globe.

The claim of liberal democracy of being globalized is based on objective as well as subjective foundations:

1) The Subjective or theoretical foundation: The reliance of liberalism on modern rationality and its triumph over the intellectual rivals during the past two-three centuries has spread the idea that liberal democracy is the only model that through reliance on modern rationality can dominate the world. This idea has not only dominated the ideas and thoughts of the peoples of the world but also the ideas or thoughts of researchers and thinkers in various parts of the world (even the Third World) who have confirmed it.[16]

2) Objective foundation: Some palpable moves in the world are underway towards free economy and integration in the international capital market. The WTO, the acceleration of democratic movements and expansion of Western models in various societies,[17] and overall the international intellectual-political backgrounds during the past one, two decades have prepared the grounds for the spread of the idea of globalization.

Perhaps one of the main backgrounds for the signification of globalization is man's need to offer models and follow models in the world and bridge cultural gaps and lacunas, particularly after the collapse of the Soviet Union (Communism) that has pushed globalization towards an irreversible stage.

3) Major problems of the global society: The major universal general problems and threats the global society has been entangled with during the past decades and which gradually are growing and expanding, including global warming, destruction of the Ozone Layer, the threat of the spread of Mass Destruction Weapons (MDW), etc. have obligated all the societies to face these menaces unitedly. Hence international measures are necessary to face these problems. Evidently in a globalized world these global measures will be more effective and coordinated in facing these threats.

During the past few decades all conditions have been ripe for condensation of the world in time and space and widespread connection of the societies to shrink the world. Information technology has played a crucial role in condensation of the world.

In a globalized world, people in far away parts of the world can easily contact each other particularly through information technology such as

computer and Internet to garner information about various affairs. The essence of the modern world is enhancement of people's information. Overall, the enhancement of information and awareness plays an important role in the progress and development of every society. Of course in some countries (mainly with undemocratic political systems) it will create several problems for their governments and their legitimacy. The effects of globalization will be discussed below.

4 –Approaches to Globalization

In the field of consequences and implications of globalization, like its conceptual background and history, there are a number of intellectual currents and circles, which encompass positive and negative aspects of globalization.

The advocates of globalization through their arguments try to demonstrate the positive aspects of globalization. They consider globalization a completely positive and useful trend while the opponents consider it dangerous and negative. Whether globalization is a threat or an opportunity will be discussed below.

4 – 1 – Globalization as an Opportunity

This approach encompasses various viewpoints including the neo-liberalist, neo-functionalist etc. The neo-liberalist approach considers globalization the liberation of various fields in the interdependent world which expands the communications and exchanges of human societies. The neo-functionalists consider the era of globalization that of enhancement of regional interactions which in turn prepare the grounds for upgrading international cooperation and convergence, a step towards globalization.

The advocates consider the globalization in the said manner as a utopia due to which convergence, economic advantages, liberation from undemocratic systems, and establishment of international civil society and democracy will be materialized.[18]

The advocates of globalization basically consider this process as an inevitable, useful key to the future growth of the global economy.[19]

In sum the ideas of the advocates may be summarized in the following three points: a) Economic-commercial field: Expansion of free trade across the globe (since the 1980s with the Reagan and Tacher's liberalization policies and collapse of communism),[20] more interdependence of the world economies compared to the past and ever

expansion of financial and commercial deals,[21] expansion of technology beyond the limit of the developed countries, considerable growth of transportation, communication and tourism (it has had 12 percent growth in the last decade and the global income accruing from it touched the figure 400 billion dollars – more than the figure for the world's oil exports).[22]

The advocates of globalization consider the outcomes of this process positive and constructive and in the interest of the entire mankind. Of course, there will be some short-term and long-term problems in this way, but the final outcome will be bright and positive.

B) Cultural – Today more than ever there exists a global culture; to the extent that most of the urban areas in the world seem similar. The world enjoys a common culture most of which stem from Hollywood. The world is becoming more and more homogenous and the differences are vanishing away.[23] The enhancement of global awareness, international interdependence due to international contacts,[24] expansion of a cosmopolitan culture, etc. are all the outcomes of globalization. Human beings think globally and act locally and this is why the world is moving towards peace and stability.

C) Political – An international civil society with transnational social and political movements is taking shape and the allegiance of

individuals to the governments is being transferred to subsidiary governmental, transnational and international institutions.[25] In fact, the role of governments is paling away everyday. In the process of globalization, most pressures are exerted on the undemocratic, rigid governments[26] and such governments will be weakened and will perish away due to globalization. Globalization facilities international measures and coordination to face off international threats (AIDS, environmental pollution, terrorism, etc.), for the governments are not able to thwarts such threats individually.[27] In effect the international measures will be more useful in a globalized world due to coordination among the international players.

In sum, the advocates of globalization maintain that the world is moving towards peace and tranquility, for the globalization movement is a move towards convergence.

In the end of this part, it is pertinent to allude to some of the consequences of globalization as mentioned by thinkers and scholars.

1 – Expansion of communication, reduction of time and spatial distances and removal of hurdles in the way of free flow of information.

2 – Enhancement of collective consciousness towards common fate of mankind.

3 – Feeling of belongingness of human beings to the great family of nations and international society will be more comprehensive than the national communities.

4 – More inclination of authoritarian governments towards democracy.

5 – Closeness and more coordination between international players.

6 – Possibility of exchange of views and mutual understanding among cultures.

7 – Expansion of man's choice from national to international level.

8 – Preparation of media opportunities for the spread of Islam and imparting its message to the truth-seekers across the world in case the time and information technology are used properly as well as preparation of the grounds for the constant contact of the Muslim immigrants with the base country in order to preserve their religious values and identity.

9 – By certain observations and preservations, the international information network has provided a unique opportunity for the scientific progress of the developing and Islamic countries on the one hand and for identifying the interested people in Islamic thought and ideas and its proper introduction to them on the other.

4 -2- The Approach Focusing on Threats (Opponents)

This approach contains such approaches as neo-Marxism and neo-realism. The first through a center-periphery attitude considers

globalization a factor for the enhancement of the power and wealth of the metropolitan countries and marginalization and gradual death of the weak countries. The second approach is power-based in which a few great powers at the cost of the destruction, bankruptcy, disintegration and dismemberment of national sovereignty of most of the countries concentrates on the consolidation, demonstration and exertion of power in the post-Westphalian system.

According to a verse: "might is right, if you want to have peace, you have to become strong."

The opponents of globalization consider it a hostile act and even horrible and maintain that globalization will exacerbate inequality among nations, threatens employment and standards of life and prevents social progress.[28]

Overall, in viewpoint of the opponents, globalization is a project and a major social-political engineering in the world which will lead to the impoverishment of the poor and enrichment of the rich.[29]

The opponents of globalization forward the following arguments to support their viewpoints:

A) Economic-commercial – In reply to the argument of the advocates of globalization in the field of commerce and economy, the opponents

maintain that although the spread of free market economy across the world is superficially correct, the global economy is in effect the economy of a limited number of rich countries in the world and in a more precise assessment the global economy belongs to the countries that are the members of OECD.[30]

The technologies accompanying globalization function in the interest of rich economies of the world and prefer their interests to that of the developing countries. Therefore, globalization not only has an imperialistic nature but exploitative one as well. Overall, globalization has unequal effects and its advantages will go only to small section of the human society (the Western developed world).[31] Under the circumstances, global convergence too will be distributed in a very unequal manner in the world (for instance, in the international purchase market in 1998, the total transaction of the world was about 24 trillion (US) dollars, major chunk of which was spent by 20 percent of the world's population.[32] The main reason for the opposition of the opponents of globalization is their fear of the widening of hiatus between the countries of the North and South.

B) Cultural – The opponents have various answers to the argument of the advocates who maintain that globalization will remove the cultural differences and create a single, common culture. First of all, most of the opponents maintain that such a common culture will never be

created, for globalization has two meanings: first convergence and second pluralism. Globalization fosters both the social movements that struggle for respect to human rights and social movements that continue racism and ethnic schism or the fundamentalist ones. Although a kind of social integration of the CNN type is created, in fact, globalization is mainly a collection of local villages rather than a single global village.[33] Secondly, the danger of decline of indigenous cultures and cultural diversity in the world has worried a number of societies. Hence, they strongly oppose and resist such a prospect.

Many discussions in this regard aim to rescue the cultural diversity of human society and distinct cultural identities from the threat of this global whirlpool.[34] The preservation of cultural heritage of regions and areas is the concern of many human beings and this fear has pushed them towards protesting against this process and resisting this process in line with preservation of their local-indigenous cultures.

C) Political – The opponents of globalizations have their arguments regarding the effect of this process on the governments. Although the role of governments has undergone a change in the process of globalization, it does not mean that the governments will vanish away. The governments will continue to play a role in the international arena and indeed their function will undergo a change. Also the main concern is that the newly-emerging strong transnational players are not

accountable in this globalized world.[35] Hence, if globalization means disintegration or dilution of the role of governments, the lack of an alternative to this ever-strong player will pose more dangers to the world. Also all globalizing forces are not good forces. Criminalization facilitates the measures of drug cartels, those of the international terrorists and the offence unions. In fact, the facilitation and expansion of communication technologies have prepared a suitable ground for the activities of terrorist groups.[36]

The opponents criticize the statement of the advocates who maintain that the world is moving towards peace and tranquility, because the globalization movement moves towards convergence. They maintain that the forces that push this process ahead may lead to divergence as much.

The opponents surprise as to why the advocates ignore the fact that the world has faced disintegration in many grounds. The opponents refer to the widening gap and heterogeneity between the North and South and between various social groups in many countries.[37]

The hiatus between the undeveloped and Northern countries and between the poor and rich countries is worrisome. Thabo Embeki the President of South Africa, at the Davoos Summit in Switzerland, stated: when there is talk of globalization, what we see is a world

which is divided into two sections is: on the one hand we see the rich and the powerful and on the other the weak and poor.[38]

Will peace and tranquility be meaningful in such a world?

The wave of protests against globalization is still expanding. In Seattle, Davoos, etc., some violent protests have taken place. The diversity of the incentive of the protestors and demonstrators against globalization has encouraged some thinkers to call these protests multigenerational or multi-class or multi-problem.

Among the protestors and demonstrators participating in the anti-globalization rallies, there are people from various groups such as the advocates of the workers' interests (labor unions), environmentalists, advocates of human rights, supporters of animal rights, peasants, etc.[39]

In fact, the oppositions and protests are not confined to the undeveloped countries, but on the contrary the protests are more vigorous in the developed countries.

Commenting on the protests, Noam Chamsky states: right now protests against it [globalization] have spread in the rich countries. They have organized huge demonstrations in Seattle, Washington and London. In other words, the villagers started roaring and the king has become conscious.[40]

Despite the protests and demonstrations, globalization is not a completely destructive or negative process rather it has a number of positive and constructive effects as well. In other words, globalization offers both opportunities and threats; both positive and negative effects – it is a double-edge sword.

What follows is some of the negative consequences of the globalization which have been put forth by various thinkers.

1 - Creation of gap in the local identities and creation of crisis of identity.

2 – Disintegration of the countries' sovereignty and undermining their political identity.

3 – Balkanization of the countries and intensification of ethnic crises and separationist movements.

4 – Weakening of the national cultures by cultural invasion and creation of ethical crises.

5 – Destruction of the environment.

6 – Imposition of cultural monologue and elimination of all cultures and domination of a single culture – which enjoys more instruments and facilities – over other cultures and marginalization of weak nations due to cultural integration.

7 – Imposition of values and strategies of the power-wielders.

8 – Threatening the international peace and stability due to expansionist stances of the big powers.

9 – Widening of the gap between the rich and the poor on national level and widening of the hiatus between the developed and undeveloped countries on international level.

10 – Globalization of organized crimes.

11 – Shaking the cultural, spiritual, social and economic foundations of societies.

4 -3 – Differential, Eclectic Approach

The literature of globalization bewilders in between the struggle between the experimental and ideological approaches. We have not yet witnessed an effective measure in the field of production of an indigenous theory for the elaboration of this significant, fundamental and sensitive issue. On the one hand, some thinkers mainly on the basis of modern values elaborate the functional, objective aspects of globalization, considering it a natural historical process; on the other, a group emphasizing and highlighting the ideological elements, without paying attention to its natural process consider it an imposed, clandestine and planned project by the great powers. While some sort of organic and logical relations can be considered between these two

approaches, they should be also taken into account together. 41 [In other words, there should be some combination between the positive and negative (opportunities and threats) approaches.

The differential-eclectic approach considers both positive and negative consequences for globalization (opportunities and threats) on the one hand and on the other hand calls for differentiation of various arenas and aspects of this phenomenon and an appropriate decision concomitant with each aspect. This approach contains the important and positive aspects of other approaches. Hence, it may be also called humanitarian approach to globalization, looking at this phenomenon like other phenomena as a tool in the service of man. This approach is based on faith, justice and spirituality, and meets the demands of contemporary man to offer the man of the age of internet and satellite just like the man of any other era. Particularly today's man who, despite progress in various fields, is inflicted with crisis of identity, vacuum of spirituality, discrimination and bewilderment. This is the approach based on the monotheistic worldview and anthropology of the seal of religions.

Emphasizing on the third approach, the author maintains that neither the integration or isolation approaches to globalization nor surrender to it will be useful nor rigid resistance or inflexibility nor rejection will be helpful. Rather, the model of management of change and development

can be an appropriate model or at least should be studied in confronting this phenomenon to consolidate power of choice and selection. Moreover, while utilizing its positive aspects and advantages it will prepare the grounds for avoiding its negative consequences or reducing their negative consequences. In this regard allusion is made to some of the solutions for reducing the negative aspects of globalization for the developing countries, particularly the Islamic ones.

5 – Strategies to Confront Negative Aspects of Globalization

The solutions to reduce the negative aspects of globalization and reduction of its threats and challenges may be studied at three levels: A) scientific and cultural elite; B) National governments and units and government officials and politicians; C) the developing world, particularly the great family of Islamic world and regional and interregional conferences and organization.

Some of the strategies are mentioned below without specifying the said levels.

1 – Cautious approach to the issue of globalization due to its ambiguity and complexity. It is also necessary to achieve a theoretical consensus and practical coordination to attain a common understanding of this

phenomenon at various aspects, particularly at the level of the elite and thinkers of the Islamic world and even a wider level of the developing world. Also it is necessary to increase the individual and collective capabilities of the Islamic countries and prepare the grounds for their active participation in the international arena in order to reduce the threats of globalization.

2 – Production of new ideas on the basis of religious teachings in order to take the theoretical initiative through offering up-to-date, attractive, practical and effective theories to meet the demands and prepare the grounds for theoretical self-reliance and refraining from imitation of Western theories in the field of globalization and other fields.

3 – Besides the above measures, attempts should be made to offer a practical, successful, and effective model of religious government to the world. It is necessary in this regard to consolidate the theoretical foundations of religious democracy and theorization in order to make it more effective. In this regard the management of change and development through reliance on the principle of continuation for change, abidance by religious principles, preservation of clear and unambiguous principles and consideration of the elements of time and space, some comprehensive, indigenous, coordinated, sustainable, long-term, institutionalized, planned, controlled, organized, constructive, and moderate reforms should be carried out.

4 – It is necessary to restudy the realities of the contemporary world, particularly the attractive claims of the West in the field of democracy, human rights, right to self-determination for nations, campaign against violence, terrorism, etc. Nevertheless the recent developments at the regional and international levels to a great extent have shed light on the intentions of the claimants and illuminated the real face of the utopia depicted by the liberal democracy.

Oppression and discrimination, numerous limitations imposed on the way of the choice of the nations in international level, instrumentalization of international institutions and law, racism, suppression of the weak, imposition of political and cultural monologue, while claiming to advocate a pluralism, are some of realities that the developing countries, particularly the citizens of the Western societies and the Muslims, have become aware of.

5 – More attention should be paid to the software aspects of power in the light of technological developments and information revolution or explosion and utilization of culture as a tool for international status in interaction with the governments and non-governmental organizations.

In this field, it is necessary to plan for a coordinated media system for the Islamic world on the basis of cultural communalities and common identity as well as through joint ventures to utilize modern technology.

6 – Attention should be paid to the regional groupings that play a dynamic, constructive role for regional convergence, assigning an intermediary role to the regional organizations between the national and international levels, and division of the imposed load on national units in the form of coordination, cooperation and convergence models.

Making the Organization of Islamic Conference more active as an interregional organization and the conjunction between regional networks to play an effective role in theoretical consensus and joint action by the family of Islamic countries. Of course, this issue first and foremost requires political will of the member-states to create the necessary self-conscience to materialize this wish.

7 – Increasing the power of diplomatic maneuver in international arena for changing the challenges to opportunities and controlling the threats, improving the utilization of the existing opportunities, creating new opportunities, upgrading the power of decision-making, predicting the future through envisaging various scenarios, and offering role models and benchmarking.

In fact it will be wise to increase the pace of action in utilizing the time factor in making policies and taking measures.

8 – Active and effective participation in international organizations in order to influence the public opinion at world level and consolidate the international platforms of the developing countries, particularly those of the Islamic world in these organizations.

9 – Special attention should be paid to the role and status of Non-Governmental Organizations (NGOs) in consolidating cooperation among nations and increasing the number of audience.

10 – Regional tensions and conflicts as well as bilateral conflicts and tensions should be reduced and instead attentions should be drawn towards the international challenges and problems the Muslims face.

11 – Attempts should be made to increase the share of the Muslim countries in the international market of cultural goods and products on the side of other aspects of trade.

12 – More attentions should be paid to the institution of family and civil institutions in cultural and social plans. Moreover besides the official, governmental efforts, attempts should be made unofficially to fight the negative effects of globalization on this institution

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Globalization and Interfaith Dialogue

Dr. Mahdi Sanai

Globalization is a kind of conceptualization for the trend of developments the world has witnessed since mid-twentieth century and in which the role of states and nation as well as the domestic laws are diminished and instead the role of international law and trends are beefed up. This conceptualization of the current international developments, called globalization, which has been accelerated over the past two decades has drawn the attention of a number of thinkers and scholars who have forwarded various theories in this regard.

This trend has influenced the domestic politics, local economies and indigenous cultures. An arena which has been influenced by globalization is the intersection of divine religions with globalization.

The present article is an attempt to study the relationship between globalization and religions and consequently the relations of globalization with the interfaith dialogue.[1]

The main question of the present article is: What is the place of interfaith dialogue in the era of globalization?

As an introduction, in the first place the subject of globalization should be discussed. The concept is rather new. For the first time in 1961 an authentic dictionary, the Webster, gave some definitions about globalism or globalization, but the application of this concept was limited until the end of the twentieth century.

Globalization is normally used in three arenas: Some times it refers to economic globalization with an international open market and international economic structures. The main manifestation of the economic globalization is seen in the World Trade Organization (WTO) whose rules and regulations encroach upon national, local economies. The second arena is the globalization of information revolution which has already taken place as a result of which and due to the application of information technology and Internet, the distances have shrunk and the world has been converted into a global village. The third arena is cultural globalization as a result of which a global culture with common outlooks, values, and ideals has been created, manifesting itself in the form of common art, music and clothes. This

common culture in many areas has gone beyond the national cultures as well as the religions.[2]

Scholars have diverse viewpoints about globalization. Some of them consider it a process; that is, the process of globalization has already been planned by the Westerners, particularly the United States, to dominate the world, but has had an upward trend during the recent decades. Others maintain that globalization is a process which has taken shape with the passage of time. They refer to the globalization of capital in the sixteenth and seventeenth centuries and consider the present process the continuation of the previous trends. Still, others consider it a process and a project at the same time, arguing that we have to pay attention to both its advantages and disadvantages. On the basis of this viewpoint, globalism is a process, while globalization is a project.[3]

Making a distinction between globalizations and globalism would facilitate the analysis of current developments. In globalism, it is the willingness, determination and wish of the nations which is relevant. It is a trend that is accepted by the nations who adjust themselves with it. But in globalization there is a kind of force and intimidation. It is the very same project which has faced the opposition of the nations in many countries of the world – in many cases massive demonstrations have been stages against it.

As a matter of fact, it is not really easy to make a clear-cut distinction between the globalization and globalism. Relying on modern tools, this trend is rapidly expanding worldwide.[4]

With regard to the interaction of the religions with globalism, one cannot talk of outright opposition of the religions with globalism. In fact, theoretically globalism is not in contravention with religion. On the other hand attention should be paid to the fact that inclination towards globalism has somehow been envisaged in almost all the divine religion. Judaism, Christianity, and Islam all have been trying to establish a global government and a united *ummah* (state).

The establishment of a global society and culture has been among the objectives and missions of these religions, indicating that the establishment of a global society or a global village is not theoretically rejected by these religions.[5]

Islam has pointed to globalism in its teachings and the Shias too believe in the formation of a global government by Mahdi (May Allah Expedite His Reappearance).

Interestingly, some of the Qur'anic teachings indicate that the borders, differences, and nations do not have originality in the Islamic

international law. On the basis of this notion, the peoples of the world originally constituted a united *ummah* and society and will ultimately move towards this direction again. The Qur'an states: "O mankind! We created you from a single (pair) of a male and a female, and made you into nations and tribes, that ye may know each other..." (49: 13)

Another Qur'anic verse states: "And We wished to be gracious to those who were being depressed in the land, to make them leaders and make them heirs." (28: 5)

Still another Qur'anic verse states: "God has promised, to those among you who believe and work righteous deeds, that He will, of a surety, grant them in the land, inheritance (of power), as He granted it to those before them; that He will establish in authority their religions – the one which He has chosen for them; and that He will change (their state) after the fear in which (they lived), to one of security and peace ..." (24: 55)

Also another Qur'anic verse states: "Before this We wrote in the Psalms, after the Message (given to Moses): 'My servants, the righteous, shall inherit the earth.'" (21: 105)

These verses indicate that Islam believes in a global society and God will ultimately delegate the global government to his righteous

bondman. Interestingly, the Qur'an refers to the believers and righteous servants of God in general; it does not merely mention the Muslims. Hence, belief in the Unity of God and commitment to do righteous deed is the foundation of the divine global government. The last Qur'anic verse mentioned above indicates that this has been part of the mission of all the divine prophets, including Moses and David. The late Tabarsi, an exegete of the Qur'an, maintains that the word Psalms here refers to the divine book in general.

The above argument indicates that globalism and the establishment of a global society has been among the objectives of the prophets, but at the same time the targeted society of the prophets is a religious society in which divine values, spirituality, religious canons, justice and equity will be sovereign.

It seems that with regard to interaction between religion and globalization, one should make some distinctions between the layers of the process of globalism and project of globalization. As far as globalism refers to modernism and reflects the philosophical principles of the modernist era, its relations with religion can be discussed from various angles. In elaboration of the principles of globalism, if we come across the principles of modernism, that is, humanism, rationalism, liberalism, and democracy, we have reached the point

where the conflict between tradition and modernity from the outlook of religion begins. Hence we cannot make general statements about it.[6]

The issues of tradition and modernity have been among the hot topics of discussions in the recent centuries, particularly by the Muslim thinkers who have expressed diverse opinions about modernity and modernism. What is certain is that majority of the Muslim thinkers have not stood against modernity and maintain that it is compatible with Islam. However, modernism, as a package, has not been acknowledged by them. The Muslim thinkers search for the roots of most of the objectives of modernism in religion and wherever there is a contradiction between religious values and modernism, they forego the latter.[7]

The same mentality exists among the followers of other religions as well, leading to the formation of modernist, fundamentalist and moderate currents among the followers of other religions in their interaction with modernism.

Another layer of globalism – probably better to be called globalization – which is in the form of a project is a kind of culture-building and export of culture to other parts of the world, which is carried out in the form cultural invasion. The theoreticians of globalization argue that in order to forward the process of

globalization, in the first place a universal public culture should be created – a universal culture with its attractions which paves the way for other elements of globalization and introduction of new economic, political, social and military models.

This layer of globalization enjoys some civilizational aspects as well and indeed is a part of the project of the New World Order in which instead of reliance on rationalism emphasis is laid on negligence of civilizations, religions and cultures.[8]

This layer of globalization leaves the reins of the cultures of the nations in the ruthless hands of capitalism with modern technology. Naturally the divine religions resist this aspect of globalization. In fact the global opposition to globalization is directed to this aspect of globalization.

It seems that Fukuyama and Huntington are the two theoreticians whose ideas focus on the said aspect of globalization which has steered the protests of the nations, cultures and religions.[9]

Based on what has been said above, we may infer that globalization is not a simple concept, rather it is a very complicated one with various angles. Therefore one cannot talk of absolute opposition or agreement of the religions with this concept.

Contrary to what prima facie seems to happen, during the globalization era, the role of religions does not diminish, rather, attention to religions is increased in other forms. On the other hand, the process of globalization provides the religions with numerous facilities to carry out their propagation. Fortunately the representatives of various religions and their scholars have utilized the vast economic means and information technology to spread their divine mission and propagate their religious principles.

At the same time the process of globalization has underlined the necessity and increased the possibility of interfaith dialogue. New technologies have provided more means for visits and exchange of views among the leaders and followers of the divine religions. The number of religious sessions held during the past few decades is not at all comparable with that held earlier.

Besides the spread of the culture of tolerance, which is based on religious culture, understanding among the religions is now more possible and the grounds have been prepared for the religious scholars to discuss the commonalities and differences among themselves.

Hence, in my opinion, during the globalization era, besides dialogue about theological (apologetic) issues, which existed in the

past as well, two new arenas are now open to discussion among the leaders of divine religions, necessitating more contacts and more dialogues. These two areas are the common concern of all the divine religions.

The first arena is the issue of tradition and modernity or religion and modernism. All the religions are somehow entangled with the issue of modernity – a trend which over the past few centuries has questioned the domain of sovereignty of religion and forced the believers to revise the religious concepts. We also said that none of the divine religions has taken an absolute stance vis-à-vis modernity rather they have been trying to study its compatibility of incompatibility with religion. The divine religions can share their experiences and exchange their findings and solutions in this regard. This can be materialized in the form of interfaith dialogue.

The conflict between tradition and modernism has been one of the major concerns of the Muslim thinkers over the past two decades. In Iran too such religious (Muslim) reformists as Seyed Jamal ul Din Assadabadi, Morteza Motahari, Mahdi Bazargan, Ali Shariati, Seyed Mahmoud Taleqani, and others have endeavored in this regard and wrote a number of books and articles on this topic. Imam Khomeini is probably the greatest contemporary Muslim reformist who offered a solution to the conflict between tradition and modernism in the form of

a religious government model and materialized it in the form of the Islamic Republic of Iran in which manifestations of religion and modernism intermingle. Without any doubt, the experiences of the Muslim scholars and *ulema* are very useful for each other.

Another arena for interfaith dialogue during the globalization era is dialogue about reacting to that aspect of the trend of globalization which is in the form of a project, aggressively invading the religious cultures and values of other nations. The divine religions through coordinating their policies can put a brake on the pace of the adverse influence of the process of globalization on religious cultures and values.

One of the most urgent steps to be taken under the present international conditions is probably dialogue among the leaders of various religions. In fact, when it comes to the confrontation with the modern innovations of the world, there are two approaches: One group of scholars and religious leaders have pinned absolute hopes on modernity and globalization and overlook the role of religion in establishment of peace and international understanding. The second group are the radical ones who from a religious standpoint express all-out opposition to this trend altogether and push the society towards violence. The violence and terrorism of the past few years and also the unilateral, self-style confrontation of the United States with this

phenomenon both have unfortunately been coated with a religious color.

The silence of true leaders of religions paves the way for unilateral, radical actions and ideas. Hence, interfaith dialogue deems to be necessary at this stage to return to religion and revive its role in establishment of international peace and global understanding. Only dialogue can block the way to unbridled, unabashed globalization on the one hand and religious radicalism on the other.

Unfortunately, globalization and modernity are spreading in a manner today that reminds us of the second principle of thermodynamics. On the basis of this principle a closed system that is fed by itself, will inevitably destroy and annihilate itself. This principle is confirmed by all active systems around us.

Regretfully, the modern secular society to a great extent reminds us of a closed system. By relying on a positivistic approach, this system has pinned all its hopes on scientific methods to solve all the problems of mankind. How can we really leave the fate of man to this system, which may stop functioning any time? Under the circumstances when drug and liquor addiction has permeated the world, at a time when the youngsters of the developed world open fire at their classmates in the daylight, at a time when the rate of divorce has touched the figure of

80 percent in the developed world and the foundation of the institution of family is crumbling, and when the United States and Russia, two important countries of the world, have each more than two million prisoners, we need dialogue among religious leaders more than any other time.

It seems that a major chunk of these problems stem from the fact that the modern secular societies are devoid of spirituality. The modern society must realize that without spirituality and religion it is not possible to achieve such sacred objectives as freedom, peace and justice.[9] Unfortunately, the very fact that the modern society has given up spirituality, has caused the primary objectives to sink into the oblivion.[10]

In today's world, about 40 countries in 25 regions of the world are engaged in conflict or are crisis-ridden; about 174 million under-five children in the developing world face malnutrition; 230 million children are retarded and there are 25,000 annual cases of murder in the United States, the standard-bearer of modernity.

Under the circumstances when some of the advocates of modernity blame religion for international conflicts and the terrorists, frustrated by the unleashed globalization, resort to the arm, the religious leaders can help restore international peace and security as well as

understanding and peaceful coexistence through spread of tolerance which exists in the religious teachings. Hence inter-religious and intra-religious dialogues are the dire needs of the day.

These dialogues will on the one hand help bring about transparency about the relations between religions and globalization and on the other underline the role of religion in the establishment of peace, prevention of tension, and solution of conflicts. [12]

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Globalization and the Social Fabric

M. Lubbers and Castel Gandolfo

Time and space

The title of this conference is 'At the end of a millennium: Time and modernities'. I'm here to talk about globalization, one of the 'modernities' of our time, one of the social developments that will influence our communities in the next millennium, that much is clear. Less clear is the relation between Globalization and time. At first sight the concept seems to be related to 'space' rather than 'time'. Globalization has been defined as 'the process by which the world becomes smaller'. The famous McLuhan actually

spoke about 'the global village': a world in which everyone communicates with everyone else. He envisioned the world of the next millennium as 'one big here'.

However, in the process of globalization the earth does not shrink. I still can not walk from Rotterdam to Castel Gandolfo. The world only seems to be smaller, because we can send people, materials and symbols *within less time* from point *a* to point *b*. So when in globalization studies people talk about 'the shrinking earth' or 'the defeat of distance', we immediately have to relate this to the notion of time: it takes less time to bridge distances and therefore it seems as if we have defeated distance. The process of globalization has to do with both time and space.

These two notions are the very basic categories of our mind: we structure both our personal experiences, our communal memories and our socio-political order on basis of time and space. If the contemporary process of globalization alters these basic notions, we can sense that globalization will have a great impact on both the individual, the community and the polity. Since the process of globalization has only just begun its real take-off, we can expect it to influence our world-community and the still distinguishable societies enormously in the millennium to come.

The changing times of globalization

The impact of globalization can be compared with the impact of the industrial revolution. The industrial revolution not only marks the take-off phase of mechanical production within a fabric, it signals the altering of a whole socio-political order and of notions of time and space. First of all the regular working hours in the fabric accentuated the importance of 'clock time' contrary to natural/biological time. Not the change of seasons and the signals from the human body determined what one was doing (working on the land, eating, sleeping or drinking), but the indicators of the clock did. Thanks to the mechanical engines, notions of space also changed: it was much easier then ever before to travel or to send goods and information to some distant location: steamship or train and later the car could take care of that. The horizon of people extended far beyond what was before considered to be 'ones home region'. Also power relations shifted. Power became less based on property of land and more based on the property of capital. And of course, production changed from agriculture to industrial goods.

Now with globalization, I believe we await once more such a revolutionary societal change concerning the way we experience time, space and power. The digital revolution makes it possible to run our

economies 24 hours a day through the coordination of economic activities on a global scale. The digital revolution also made it possible for us to move people, goods and especially symbols faster through space, than has been possible before. This widens our horizon even further. In this new era of digitalization and globalization we can already see that production is changing from industrial goods to production of knowledge, information and services. This change will promote that next to capital, knowledge will become of a growing importance as a basis of power.

Good times for the market and bad times for the nation-state

We find ourselves in a transition phase. We are on our way from the national industrial to the global digital society. The questions that confront us are: *how can we realize quality of life and a just and participatory society in this era of globalization*? *What can we do to make this new global structure a humane place to live in*? To answer these questions we will first have to find out where we stand now. Two characteristics of the emerging world-society stand out. The first is the economization of life, the second is the decay of the nation-state and democratic government.

To begin with the first: the world today is captured by the ideology of the free market. A market economy based on free enterprise has

become an important value in itself. The market cannot provide for everything though. Free enterprise stimulates creativity and generates prosperity. However, the market mechanism itself does not do more than matching supply and demand in a creative way, at the lowest possible costs. Values like security, equity and sustainability only will be taken into account by business if they are forced to do so by non-market actors. Besides, the maintenance of a free market, with meaningful competition, has to be guarded also by external regulations and regimes. A globalized world constructed only according to the ideology of the market will therefore be neither just, nor sustainable.

The second threat to quality of life in our globalizing society is the decay of democratic government. Today, we live in a world of states. In 1648 the Peace of Westphalia marked the beginning of the era of nation-states. It developed into the Trias Politica (Montesquieu); a balanced power-system within a defined territory. Later constitutions paved the way to democracy defining the substance of political values as well as the relation between citizens and (the different levels of) government. Democracies started to mature. In the industrial era it was believed, and partly rightly so, that democratic government would correct market failure in a way the population wanted it to. The societal model of 'market plus democracy' now faces huge problems. The state, as quality-manager of our society has lost its capability to govern the economy and society within its borders. In many countries the state has lost credibility because of corruption and electoral short-

sightedness of politicians. Causes for the decay can be found in the vanishing of communism, which diminishes the need for a strong, protective state. Another cause is the failure of the state in, for example, balancing its budget, providing and distributing jobs and income and the like.

The state is also loosing out because the economy and society within its borders are no longer more or less independent systems within closed borders. On the contrary: due to globalization processes national society and economy are very much dependent of and intertwined with the entire global network of societies and economies. National borders are not closed but permeable, so people, goods and symbols can cross borders easily. States and governments however have to act territorially. Therefore states become less effective in achieving governmental goals.

Thus a worldwide system of constitutional democracies developed, but now we enter the era of Globalization, the era of a more and more borderless world. At the very same time constitutional democracies are based on 'territory'. Ruggie in '*Territoriality and beyond*' makes the paradox clear:

That is, having established territorially fixed state formations, having insisted that these territorial domains were disjoint and mutually

exclusive, and having accepted these conditions as the constitutive base of international society, what means were left to the new territorial rulers for dealing with problems of that society that could not be reduced to territorial solutions?

Solutions have to be found transboundary but there is not such a thing as a transboundary democracy. At the same time because of a more borderless world governments are less effective also within their own territory and become therefore less credible. And, if governments or international organizations agree what to do, it is by their own parliaments considered not to be democratic.

Responding to this, states associate in intergovernmental organizations. Since especially the end of the Second World War we have seen a long march to connect the concept of territorial fixed state formations on the one hand and the wish for international treaties and conventions on the other hand to deal with the diminishing effectiveness of nation-states. Transboundary law started to emerge as international courts and tribunals did. We learned to live not only with 'shared sovereignty' in the form of federations (examples are the United States of America and the Federal Republic Germany) and 'pluralistic sovereignty' in the form of substantial space and room for different political, economic, social and religious groups (there is in each nation-state a specific footprint of these groups and their relation to political parties), but also to a 'functional concept of sovereignty' in which sovereignty is shared by

nations in certain areas, like NATO and Europe's single market and single currency. They represent a mixed form of independence and interdependence. The problem in these institutions is that they suffer from a democratic deficit, because parliaments are either non-existent in those organizations, or they have a very limited role.

In conclusion there are three problems with the concept of the nation-state within our contemporary, globalizing society:

State-failures have become more persistent and more visible to the public;

In a more borderless world governments have a tougher job to be effective;

And to the extent that states succeed by achieving international cooperation, they have to face a lack of democracy.

Given the fact that states are too small to counterbalance the deficiencies of the market and given the fact that a global democracy is not conceivable, one might see regionalization as an answer to globalization. But even the most advanced regional integration, like for example the European Union, is seriously flawed by the democratic deficit.

Better times are ahead

The rise of the market and decay of the democratic nation-state are the two basic problems facing us. However, there are also hopeful developments. The state is loosing out, but it seems that civil society is gaining strength. A strong and lively civil society, in which people are active and act not on basis of economic gain, but on basis of values can generate 'societal self-regulation'. This self-regulating capacity would diminish the need for state-action. In the social-science literature this self-regulating capacity is named 'governance'. Governance, although it includes sometimes also government, points to the capability to get things done without legal pressure and without the law enforcing institutions. In a system of governance the role of government shifts from captain to broker.

It is not without reason that the concerns about nature and environment have played and will play an enormous role on the way to the global civil society. Thinking in terms of environment and nature invites to long-term thinking; the larger the space of concern the longer the time-frame. Nearby problems as dust and smell are noticed immediately. Global environmental problems present themselves only after one or more generations. The earth and the oceans have an enormous reserve capacity but at the same time the 'sunk problem' (accumulated waste and damage) means that it takes a long period to restore and to re-balance.

Already we can see some signals that point to the revival of civil society:

On a global scale, non-governmental organizations (NGO's) have begun to fulfill an important role. They give shape and substance to ethical demands, partly by putting pressure on governments and enterprises, partly by increasing awareness on all levels of the society;

Religious movements counterbalance the forces of market, relativism and liberalism;

It seems to be 'in the air' that people want to belong more to 'we' instead of just 'me' and want to be more than only an economic subject, let alone just an economic object.

These signals show that a strategy of moral and social reform of society is developing. The moral reform aims at restoring moral values in a situation dominated by materialistic motives, thus enabling citizens to live in truth. The social reform aims at creating spheres of life in which people can regain responsibility for their social and physical environment. In this respect, the concept of civil society is meant to enable citizens to live in dignity.

One might say that in a globalizing world the realization of societal values (quality of life) cannot be achieved only by a productive

symbiosis of the democracy in terms of nation-states and of companies in a market economy, but that societal institutions are as important. The capacity to change with an eye on the future and on quality of life will be served the better if those who are in charge in respectively (large) companies, governments (including intergovernmental organizations) and 'civil society institutions' exert leadership and are prepared to combine their own mission with a common mission. This is the way to overcome fear and stagnation and to realize the perspective of a better world.

Parallel to the mentioned developments within the society, there is a development going on within enterprises. It can be described as an increasing awareness of their social responsibility concerning human rights, environment and other aspects of importance for the surrounding area. This awareness is stimulated both from inside, by the employees, as well as from outside, by consumers, action groups and other stakeholders. These internal and external forces demand that companies behave like a citizen as well. As a result companies cannot restrict themselves to just producing goods or services. They have to realize societal values just as well. This development supports the vision that care for the common good does not necessarily have to be left solely to government.

In companies this process is only in its beginning, but already 'enhancers' understand that there might be 'win-win', and thus a better

sustainability, if they enlarge the horizon of their company. The degree to which transnational corporations will take not only into account the short term share-holders value perspective, but also go for sustainable development and internalize societal values, depends very much on their judgment about the strength of civil society initiatives. One should not be too romantic about this, but the combination of the factor shame, the possible consequences for their purse (penalties by judges) and sometimes the needed cooperation to realize new investments, can prove to be effective.

Timely investment is necessary

If we reflect on the deficiencies of the market as a world of efficiency, we realize that efficiency alone cannot bring harmony, quality of life, desirable security, equity and sustainable human development. The answer to this problem is neither a global romanticism, nor the traditional League of Nations, nor a form of world government. The only real answer to the deficiencies of the market lies in investing in values and social fabric within and between societies. If we are able to promote value systems as strong as the efficiency of the market, then we will be able to cope with a number of problems which are related to globalization such as corruption, transboundary crime, tax evasion, lack of integrity, refugees and the management of cultural diversity. However, promoting value systems will succeed only if every single

person involved has a consciousness and notion of values and a willingness to be educated and trained permanently in this field. Of course all this should be a basis for practice.

Natural places for breeding and feeding the consciousness of values are families, neighborhoods and communities. Needless to say that the churches should play a significant role here too. They should be able to inspire and strengthen parents and other responsible women and men in society in being good examples for the younger generation. 'Churches' should not be restricted to the Christian churches as these churches can not claim a position of monopoly in the field of social values. The Spirit of the Creator transgresses all cultural boundaries and can be effective through other religions and ideologies as well. In this respect the spiritual and cultural diversity can even be seen as a source for mutual enrichment and mutual trust, although it can also contribute to prevent aggressive fundamentalism and narrow minded destructive nationalism. There should be an ecumene of religions all geared to values near home and global, values basically summarized as *fundamental human rights*, *social cohesion* and *sustainability*.

Only when the global strive for productivity and efficiency based on the global spreading of technology and economics and value systems and everybody's consciousness of the importance of values flourish to the same extent, there will be progress. Progress in the sense of a growing moral awareness and togetherness of people as they are linked

to each other in generations, across borders and a search for the common good. Therefore dialogue and trust-building is needed. Dialogue to promote common goals, a common vision overarching the specific goals and missions of the differentiated societal institutions. Trust-building is about the systematic to achieve 'change' step by step.

Change, needed by the constant flow of new technology, expanding economies, new generations and demographic development, is always painful. Therefore for the different groups in society there has to be a balance between sacrifices and rewards. The process of change has to be understood to be fair. Only then governance for the future can succeed. Dialogue and trust-building demands a holistic and inclusive climate of governance. Holistic to overcome the thinking only in terms of separated disciplines. Indeed it is useful to focus to see clearer but at the same time there is merit in seeing the context, to widen the perspective of observations. 'Inclusive' is to balance the efforts of human beings primarily going after their own interest, their own mission. The outcome of this system focusing primarily on your own mission is creative and productive. At the same time it has to be balanced by a vision for the *bonum commune*, the common good. That requires inclusive thinking.

Let us make time for the future

Long term, broad participation, holistic and inclusive, that sounds rather theoretical. It does, but at the same time it reflects what is needed to realize human dignity in an era in which people around the globe and generations to come begin really to be connected. In such a world the different aspects of human dignity are very interrelated; human rights, development, environment and nature. The history of mankind as world history of mankind has only begun. Let us lay the foundation for the sovereignty of the peoples; all over the globe, for generations to come.

Governance in an Era of Globalization

R.F.M. Lubbers and Jolanda G. Koorevaar

History of Globalization

When did globalization actually start? According to Malcolm Waters, the word global is 400 years old. The concept of globalization is much younger. It was coined in the 1960s, but it took till the 80s before it became used more often. In the 90s globalization became a buzzword and scientists recognized the significance of the concept.

So, it took till the end of the Cold War before the interaction between economic, political and technological processes caused such a speed up in border-crossing processes that the word globalization became widespread.

This does not automatically mean that globalization is a recent process. Three different positions can be recognized in the discussion about the birth-date of globalization.

First, globalization can be seen as a process that has been going since Homo Sapiens populated this world. Human beings have, in all historic periods, stayed in contact with their neighbors. Contacts among the different peoples of the world have always existed, only now those contacts are more direct and more intense.

Second, globalization can be seen as a process that really took off in the 15th and 16th century, with the rise of trade capitalism. Today's transboundary processes and contacts are a result of the voyages of discovery, the Copernican revolution and international trade in products like silk, pepper and cotton.

Thirdly globalization can be seen as a far more recent process, dating from the 1980s. Dengs Open Door Politics since 1979, Gorbachevs Glasnost and Perestroika from the middle of the 80s, the economic growth in some important former Third World states (the Asian tigers),

the discovery and use of integrated systems of Information and Communication Technology (ICT) and the collapse of Communism signal the beginning.

Alvin Toffler called the social changes caused by ICT the Third wave. Societies went from hunting/gathering to agricultural societies (the first wave), from agricultural to industrial societies (the Industrial revolution, a second wave) and in the late second half of the twentieth century industrial societies are changing into digital societies. A third wave of change.

We assume that globalization is a consequence of modernization or enlightenment in the broad sense. Direct relations with peoples from far away became a structural part of life because new technologies made it possible to travel and communicate across borders easily, while the capitalist market-economy made it profitable to travel, to trade and to colonize overseas and the political (inter-)state system gave Europe the political stability and the military power to make border-crossing and even oversea adventures a profitable undertaking. So the deep roots of globalization go back to the 15th century.

The European society-model of nation state, capitalist market and rationalized technology is the basis, the socio-political configuration out of which globalization develops. It is as with the heatening of milk.

From the 15th century onwards, the globalization-milk has been heated, it has warmed up pretty much over the centuries. As we will see in 1945 the milk started to give of some steam. But it was not until the late 1980s that the globalization-milk started to boil.

After World War two, a significant change occurred in international space. The European interstate system slowly becomes a worldwide system: colonies become states themselves. The inter-state system also becomes more regulated. The establishment of the UN signals the birth of the era of multi-lateralism and international law. Between WW2 and 1989, this inter-state system was structured along the lines of the Cold War: the first, capitalist world dominated by the US, the second, communist world dominated by the USSR and the third world formed by developing, non-aligned countries (the group of 77).

When the Second World vanished in 1989 with the fall of the Berlin wall, the traditional concepts lost their value. The givens of the world were gone. People started to look for new definitions of the situation. In doing so, it became clear that not only the dividing lines between the First, Second and Third world were blurred, but that the world itself was in turmoil: other concepts such as nation state, national security, national economies and so on seemed to fit reality less well. In the beginning of the 1990s the word globalization came in use. With the conceptualization of globalization, we seem to be able to make sense of today's world.

Basic Story-line

In short, the story runs as follows: due to technological innovation, especially in ICT and in miniaturization and dematerialization of products, it has become easier to travel, trade, produce, consume, communicate and entertain across borders, worldwide. We have seen an outburst in communication and mobility.

National economies become integrated in the world trade and finance markets, foreign direct investments are easier to make, monitor and withdraw when deemed necessary. Most countries try to gain from this internationalization of economy by opening up borders for international finance and transactions.

The integration of national economies and markets into a world market goes hand in hand with the spectacular rise and strengthening of neo-liberal ideology.

In the 1980s this process had two major consequences for the world order. First, many important countries that used to belong to what was called the Third world had been able to reap the fruits of economic internationalization and realized spectacular economic growth (notably the Asian tigers). Although there were and still are many devastatingly poor countries, the Third World as such does not exist any more as one recognizable underdeveloped block. The Second World, the

communist block, also collapsed, its parts actively seeking integration into the world-economy and international political institutions. Thus, the world order of the Cold War broke down, old concepts became meaningless. George Bush proclaimed a new world order of market plus democracy, Fukuyama wrote about the end of history and many Western commentators spoke about the victory of the West.

Frictions and shortcomings in governance

Soon however, it became clear that the neo-liberal, globalizing world was not a perfect world.

The globalized world consists of interdependent, but also very different countries. In times of the Cold War the many differences were overshadowed by the divisions between First, Second and Third World. Now, a much richer diversity of interests, loyalties and values manifests itself. These differences in stages of development, political priorities and cultural background make themselves felt in all kinds of international governmental organizations: from the WTO to the UN. That makes it difficult to come to effective and credible global governance via international institutions.

That is not all. Nation states themselves experience frictions, caused or strengthened by globalization as well. States suffer from several governmental shortcomings. In times of globalization they become

both less effective and less credible. Nation states are less effective because their governance-power is restricted to geographical borders while the processes they are supposed to govern and the problems they are supposed to solve now almost all have important global, or at least border-crossing dimensions. Processes ranging from cultural reproduction to monetary policy and problems ranging from climate change to social inequality all are global or at least transboundary, in character. Furthermore, even the state policies on national issues are directed, if not forced, in a certain way by global processes and actors. Forced IMF reform-policies are one obvious example of this. The downsizing of the welfare states, especially in Europe can be seen as the consequence of internal failures caused by the logic of the welfare-systems themselves. Indeed, in the welfare system people had become objects of care, instead of citizens empowered to participate in work and society.

However, it can hardly be denied that the down-sizing policies were also inspired by mechanisms of global competition and by the world-wide neo-liberal ideology.

States become less effective in face of global processes, problems and anonymous global powers. They also become less credible in the eyes of citizens. This has several reasons.

The fact that Western states don't want to and can not fulfill one of their core tasks since World War 2 – provide citizens with social security and sustain the welfare state – in combination with the fact that they are not capable to fulfill new, important tasks in global society does enough to discredit them. On top of that they are not successful in fighting violence in failed states, or in responding to environmental challenges.

The commercialization and mediazation of politics harms the integrity of politics further.

Elections are marketing-stunts, media-events, oriented to presentation and fund-raising rather than on serious political discourse. Voters go for this, but that does not mean they take politicians serious because of it. Integrity of politics is undermined by the growing (visibility of) corruption that seems to invade democracies and non-democracies alike: there is more market as integrity in dealing with the public cause.

So, while international governmental cooperation is hampered by the differences in political choice, cultural background and economic development between nation states, national governments can not provide needed governance because they are too small and because they lose effectivity and credibility in the eyes of their citizens. This is

all the more painful, since the globalizing world suffers from serious deficits.

There are many problems that need to be solved urgently, problems that seriously threaten quality of life for all peoples and nations.

Deficits

Security: First of all we have to deal with problems concerning security. This security-deficit as perceived by the public at large is a consequence of the fact that nation-states are supposed to look after their own internal security themselves. However, failed states do not, can not do so, and the international community –time and again– finds it difficult to respond. The lack of social cohesion and the insufficient capacity to include people is another cause. Exclusion fuels crime. Finally a more borderless world inevitably is also a window of opportunity for crime in a world where nation-states are fundamentally limited to their own territory.

So, on the one hand we face conflicts in failed states and the incapability of the international community to respond adequately. On the other hand both survival criminality, caused by poverty, and organized crime, facilitated by a more borderless world, intensify.

Social Deficit: Secondly there is a social deficit. Globalization offers a lot of people chances to improve the quality of their lives. These chances can be grasped if one is highly educated, has highly developed social skills and has access to well functioning labor – and/or –capital markets. Many people are not this lucky, many people are excluded. Within countries income gaps and social cleavages grow. At the international level many countries and almost all of Africa are incapable of joining the globalized economy. This is already very painful in real facts and figures. The experienced social deficit is even larger. In the West, people can now see the injustice done to workers and poor in the less developed countries. Out of this arises a general feeling of discontent. In the less developed countries, people get a glance, via tourism, advertisement and TV, of the rich life in the West. It is not too speculative to suppose that this aggravates feelings of relative deprivation. The drama is that the world is becoming one economic space, while the world as one social space is far, very far away.

Environmental Deficit: Thirdly there is an environmental deficit. The Ocean our Future, the report published by the Independent World Commission, pointed out that the interface between humankind and the oceans is becoming vulnerable, because of the growth of mega-cities near the oceans and the application of modern technology and economic enterprise in the coastal zones.

With the spreading of economic welfare and unprecedented demographic growth (at least in absolute numbers) many such huge environmental problems come into sight. How to restore the balance between ecology and economy? National environmental policy is not very effective in dealing with global environmental problems. At the same time, it is difficult to develop global environmental policies due to differences between the countries of the world in economic development, political choices and cultural backgrounds.

***Democratic Deficit*:** Next to the security, social and environmental deficit we also have to cope with a democratic deficit. This notion captures two problems.

First, national democracies are weakening. The state is less effective in realizing societal values and therefore politics becomes less credible. Politicians and citizens often believe and vocalize that government has to be based on the voice of the market and the voice of the expert instead of the voice of the people.

Second, the sovereignty of the people as guaranteed by national parliaments is limited to national policies. The more these policies are being embedded in and dependent on the supra-national juridical-political surrounding, the less meaningful parliaments can be. On the international level, there is no representation of the people. With

international treaties, parliaments only have the right to veto. Furthermore, international organizations usually have no parliament at all and if they do (the EU), parliamentary power is restricted. In short, the more the international and supra-national level gains in importance for world-governance, the less power there is for national parliament and the bigger the democratic deficit will be.

To counteract the basic governmental shortcomings as described above, states pool their governing capacities in international governmental organizations (IGOs), international agreements and negotiations, policy-coordination clubs and the like. In that way they enlarge their possibilities for political action geared to global problems. However, the democratic mechanisms for international political processes are fundamentally flawed.

The new world order is no perfect world. It is more scaring than promising. Certainly, there are opportunities, but a too optimistic view will destroy motivations and actions to improve quality of life in our world. At the same time we have to stress that a too negative, apocalyptic view will do the same. Globalization as such is a given, but the outcomes will depend on the combined effects of human action.

Rebound Effects

Humans indeed act and react in very different ways to globalization. On the one hand they oppose to certain socio-cultural traits of the globalizing society. On the other hand, people become socially active to compensate for the several deficits. Now that governments can not effectively fight deficits, people turn their attention, hope and energy to social organizations and movements.

In opposition to globalization or in addition to a cosmopolitan outlook, people turn to local and ethnical identities to distinguish themselves from others. They accentuate their uniqueness and look for identification with local groups, cultural roots, ethnic notions. Sometimes this type of identification takes the form of aggressive in- and out-group thinking as in fundamentalism and extreme nationalism. Most of the times however, local identification is constructive, it raises solidarity between group-members, without threatening outsiders.

In opposition to the economization of life, consequence of extreme liberalism, people start to accentuate values, emotions, spirituality and religion.

In opposition to individualization, people start thinking in terms of we, they look for groups to belong to. Humans develop as humans in meaningful interaction with each other. In the globalizing world the opportunities for meaningful interactions are threatened by passive

consumption, passive entertainment and meaningless work. To balance this, more and more people associate in value-oriented groups such as non-governmental organizations (NGOs), new social movements (NSMs) and religious movements new style.

Lastly, as opposed to the short-term oriented, destructive waste-society, people have become interested in sustainable development as an alternative trajectory for humankind. Economic objectives are to be integrated with and weighted against social and environmental objectives. The short-term interests of people here and now are to be integrated with and weighted against long-term interests, interests of people living far away and of people that shall live in the future.

In response to globalization as such and the frictions and deficits it causes, people express opposite attitudes: looking for roots, emotions, we-feelings, spirituality. Those attitudes crystallize in institutions. It is interesting to see that there is a revival of civil institutions and organizations like NGOs, New Social Movements (NSMs), religious movements, sects, cults, neighborhood-groups and the like. In those institutions people associate voluntarily, not forced by law or necessity, but internally motivated, convinced of the value of participation in itself. That gives these kinds of social institutions their special value and a governance-systematic based on voluntary compliance.

So, the reactions, the attitudes of people are not confined to the individual realm, but institutionalize and often get organizational forms. They become social forces that interact with and change the globalization process.

Recapitulation

At the end of the eighties it became clear that technological innovations and the hegemony of neo-liberalism changed the world order of the Cold War for good. The Second and Third World became part of the First. International markets became global ones. The world was in change and it seemed for the better. The West won, the societal-model of market plus democracy would spread worldwide and we would all live happily and ever after.

Unfortunately it soon turned out that the perfect world had not arrived. The globalizing world suffers from frictions, governmental shortcomings and (security, social, environmental and democratic) deficits. The problems can hardly be solved by the nation-states of the world, since these suffer from governmental shortcomings due to the very same globalization process.

Will the dream of market plus democracy turn out to be a nightmare? That depends on how we act and react to globalization; it depends on the response of citizens, political actors and businesses to the process.

It is clear that we need to act, but how? How are globalizing societies to be governed in such a way that the deficits and dangers are fought, while the opportunities are grasped?

Recognizing the governmental shortcomings and the enormous complex problems that need to be tackled, seeing the tasks that need to be fulfilled, how are we going to provide quality of life in the globalizing world? After the exhilarating moments right after the fall of the Berlin wall, the question of governance in an era of globalization becomes paramount.

Governance scenarios for the globalizing world

We have come to the conclusion that the globalizing world suffers from deficits and problems that need to be solved with a sense of urge and direction. But we have also seen that states and the interstate system suffer from governmental shortcomings and democratic deficits. They cannot realize the needed quality of life in the globalizing world. Thus, we need to look for governance alternatives. In the older literature, from say the beginning of the nineties, we usually find four scenarios.

The first is what we could call Adam Smith revisited. This boils down to trust the market, let states and other political institutions disturb the market as little as possible.

The second model is called Fragmentation. In this scenario, states will eventually return to their own national business, using protectionism new style to keep foreign influences, products and people out. Globalization will not succeed because economic, cultural and/or political conflicts will break out. In this scenario even states may fail and prove to be incapable to resist societal fragmentation

A third option is the Pax Americana. The chaotic worldwide governance-network will be structured by the hegemonic United States. Problems will be solved in the American way, under American leadership.

The last alternative model is Global Coordination. In this model, states, regional institutions and IGOs all have a function. Within this system national governments exist next to regional governance-institutions and next to the (global) UN. Across these geographic layers, there are also functional dividing lines. Global coordination is achieved by a matrix of coordination per issue and regional coordination.

In the real world we see a mixture of those four scenarios. There are trends towards fragmentation and coordination, towards liberalization and Americanization.

However, in recent years many authors have come to the conclusion that more is needed. Next to (a blend of) those four, which are all

elaborating on the nation-state/democracy model, we can identify a supplementary model named new governance.

New Governance

We use the concept new governance to distinguish it from traditional government (the democratic nation-state and the inter-state/IGO system, based on nation-states each with their own constitution and Trias Politica).

New governance refers to the capacity to realize societal values, while this capacity is not based on the possibility to form and enforce laws, but has strength beyond the law. New governance is not based on territorial jurisdiction, on the parliamentary approach, on a constitution and paper law, and on law enforcing institutions. New governance is based on values practiced in and by societal institutions. Global new governance will ideally be based on a global ethic. The values are to be realized and the ethic internalized by both states, business and civil society. This all sounds rather vague or optimistic at best. However there are signs that the basics for new governance –to complement the nation states and IGOs– are developing.

As we saw already in the discussion of rebound effects, globalization creates its own counter-effects. In opposition to globalization, people

turn to values and to voluntary value-oriented civil/religious associations. NGOs are e-mailing societies, they gain strength from ICT. It is in those institutions that people express their values and preferences and act to realize them. Civil society organizations, especially the one-issue NGOs, stand for social values like: sustainable development, nature conservation, human rights, neighborhood improvements, solidarity, equality, and so on. In those institutions people try to realize values in a direct, active way: they actually plant trees, built schools, lend money to women, take care of the ill and desperate and so on.

But civil society organizations have more functions. NGOs put pressure on other actors to realize values. They monitor the actions of businesses and states, they inform members about bad behavior of certain states or companies, and they mobilize media and consumers/voters. In doing so, they make use of consumer and civil power. Consumers, being voters as well, can pressure states not to tolerate misbehavior of businesses (withhold permits) or states (economic sanctions) and they can penalize corporations with a consumer-boycott.

Of course, it is a company's goal to make profit. However, in today's world, corporations need to be aware of values and norms living in

their social surrounding and they are more conscious that being aware of this serves their own interests:

As discussed already, NGOs can mobilize consumers and politicians if a corporation violates important social values: for example if it violates human or labor rights.

Secondly, businesses are vulnerable to actions of NGOs since employees and staff of TNCs do not like their company to be scandalized (the shame factor). Management is afraid of demotivation of their staff.

Thirdly, judges have now started to penalize TNCs when they violate soft law principles, such as the precautionary principle.

Fourthly: companies need local cooperation for new investments.

Next to external pressures, business becomes internally motivated to maximize social goods and minimize social bads. Experience learns TNCs that going for safety, social policy, good labor conditions and environment friendly production improves quality of production and cost awareness. There are so called win-win experiences.

Both internal motivation and the external pressure cause TNCs to internalize societal values into their organizations. They do so by mission statements, codes of conduct and voluntary agreements. The

trend of green and social accounting/reporting fits the new governance model too.

So, civil society has gained some influence already on business and politics. Important other routes of influence for citizen-organizations can be named. In the international political arena, NGOs are taken more serious. They are invited at summits, in UN expert-commissions and in all kinds of policy-fora to act as partners in policy-formation and/or implementation. Although they usually are not part of the decision-making process, their voice is heard more often and more clearly on the international level. The broad presence of NGOs at the summits in Beijing (woman), Copenhagen (social summit), Cairo (demography) and Rio de Janeiro (Environment and Development) can illustrate this.

One last aspect of the growing activity and influence of civil society can be noticed in the search for and dialogue about a global ethic. The peoples of the world are interdependent, interconnected and constantly in contact with each other: via markets, television, communication, migration, etc. In our behavior in global society and also in our national societies as parts of the all-encompassing whole, we must reckon with this global dimension.

The sum of our individual behavior has global consequences. Therefore, we must guide our behavior with certain universal, global norms. Norms about how we should relate to each other, to other groups and to mother Earth. The search for such an ethic has intensified and broadened since roughly the 1990s. NGOs and religious movements are trying in many different forums and discussions to find global ground rules.

These global ground rules can serve as soft law. Judges apply soft law even though the norms are not (yet) ratified by government. Usually they are (inter)nationally widely accepted norms. In the US, judges especially apply soft law in environmental and health-related cases.

This practice forces societal actors, especially businesses, to be pro-active. It is not always enough to simply stick to the law. One also has to reckon with general, global norms of good civil behavior. Of course, states can later turn soft law into hard law, but this does not necessarily need to happen. Soft law, global ethics and the pressure of civil society can quite effectively enhance corporate responsibility by themselves.

In the governance model here described, social values and quality of life are realized by NGOs, business and government together. A new symbiosis of those three is slowly developing. However, the constructive developments as sketched here will not automatically gain strength. New governance, a global ethic, active civil society and

socially responsive business compete with fragmentation of states, extreme nationalism and fundamentalism, further individualization and also visible down-ward pressures caused by naked competition on global markets. The global dialogue competes with the race to the bottom.

Therefore an important question is how and if civil society can become powerful enough to counterbalance business and politics. Business power is based on hard dollars, government power is (in the very end) based on a monopoly of violence, and civil society's power is based on goodwill of its active volunteers, its members and sympathetic consumers and citizens.

A relevant question, that we must ask, but can not answer completely once and for all, thus becomes: how can the processes and structures of new governance be strengthened?

Strengthening New Governance in an era of globalization

In new governance, business and civil society both play important roles, but so do the nation-state and the inter-state system. To realize effective governance, it is therefore important to improve the capacities to govern of states. Due to the uncritical acceptance of neo-liberal ideology, the market and business-principles have strongly influenced the world of politics. Internationalization of markets and conscious

deregulation of national economies have caused politics to lose control over the economic realm. With privatization and market-conform reform of political institutions the market penetrated the heart of politics itself.

A lot of good has come out of liberalization, deregulation, privatization and commercialization. Efficiency gains and enhanced economic growth are the most important benefits. But, markets can not do without regulating, mediating, monitoring, and conflict-resolving external institutions. This goes for both national and global markets. It is very important to re-balance the power between the economic and the political realm. Not only because the market is not good at realizing social values (like social justice, environmental care, and acceptable minimum labor standards) all on its own, but also because markets can not sustain themselves in the end.

Empowering politics in an era of globalization means also globalizing organized political power. Improving international governmental cooperation and strengthening International Governmental Organizations (IGOs) is therefore imperative. Extending the already existing body of international law can also do a lot of good. International law can regulate border crossing processes. Besides, via International law and when necessary International Courts, the mechanism of negotiation and mediation that on the national level is served by governments, can be established at the global level.

The democratic state, active in a dense network of intergovernmental relations, will have to stay in constant contact with businesses and civil society.

Since all institutions bear governance-power, it is important that all of them stick to certain rules concerning good conduct. Especially relevant are the general rules of integrity (no corruption), accountability and transparency. Those norms regulate the relation between organizations and between organization and public at large, but only in a very general way. More substantive principles will need to be available to guide the moral dimension of all individual and institutional behavior. It would be overly ambitious to formulate such an encompassing ethical framework in law. But, it is possible to formulate basic ground rules, basic moral principles for all actors in global society in a general global ethic.

The formulation of and discussion about such a global ethical framework has only just begun. The pioneering work is important, since a global society can only function if it adheres to some basic common principles.

Furthermore, citizens are of paramount importance in the new governance model. They chose their politicians; they decide over business policies; and they realize values in NGOs. Their influence in

governance is not restricted to the democratic processes in politics, but they can also directly exercise influence. Therefore, empowering citizens is a core task for governance in globalizing societies. Education, participation, and critical reflection are key-words. In the end, the quality of society depends on the quality of the people who constitute it.

The ethical framework will motivate empowered citizens, democratic politicians and socially responsible businessmen alike.

The new symbiosis of politics, business and civil society will generate governance-power to realize a just, sustainable and participatory society. A just society, to reflect the need for justice, equity and fairness. A sustainable society, because we have borrowed the earth from coming generations. A participatory society, because each individual counts and every person needs self-realization in meaningful interaction with her or his fellowman.

Questions and points for debate

A) Deeper integration

The paper does not talk much about IGOs. However, these institutions remain powerful and important governance actors in the globalizing world. Problem with IGOs, like with NGOs, is that:

1) the North is almost always stronger represented/more powerful than the South

2) both types of organizations concentrate on issues, an institution that integrates policies and settles disputes among different issues and organizations (like the state does on the national level) is missing.

Related to this second point is the interesting question of deeper integration that has come up in the debate around the WTO. An important point of debate is whether or not trade issues should be coupled with social, labor and/or environmental issues. Should we go for deeper integration or is it better to work with one issue - international governmental organizations (IGOs)?

The World Trade Organization is first and foremost supposed to regulate trade among countries of the world at the world markets. To be able to do this effectively members of the WTO recently developed further mechanism -in line with the GATT tradition- the dispute mechanism. The dispute commissions must come to their verdicts on basis of internationally acknowledged trade rules.

There are three options to develop this dispute settlement mechanism. First, one can state that the WTO is concerned with trade. Trade has to be its core-business. Therefore it should only take trade-regulations in account when deciding over trade disputes: only when a country violates trade-agreements, it should be corrected. (This is based on the principle each institution minds its own business)

A second plea is for UNDEEP integration. If the disputing parties have both ratified international agreements containing other norms, like an ILO, UNDHR or UNCED/Rio declaration, these norms can also be applied by the WTO. UNDEEP integration uses the trade leverage to enforce nation states to implement social and environmental standards, which they have accepted by signing and ratifying agreements. In this model, the WTO can allow a country to restrict trade with the disputing party if this party violates norms that it itself has acknowledged. (This is based on the principle a promise has to be kept).

Lastly, some people want to go for deeper integration. Countries should be pressed to acknowledge normative issues (ILO conventions, UDHR, etc.) by applying trade-instruments (like blocking exports, partial embargos and the like). One might allow countries that adhere to strict normative norms to refuse exports from countries with less strict norms. This might lead to upward harmonization. In this model

the WTO bases its verdicts on trade rules, but also reckons with environmental, human rights and other aspects of the disputes.

By coupling trade rules with other issues you can force countries to adopt just and sustainable production processes. If countries do not apply with a certain minimum level of, for example, labor conditions, other countries are allowed to close their borders for exports from the deviant. This way, exporting countries will have to adopt at least minimum levels of environmental, health, safety, human rights and labor standards. (This is based on the principle everyone has to do what is right, regardless if they have promised to do so, or not).

Question: should we go for deeper, shallow or no integration?

B) Power balance

The model of new governance first of all will have to be seen as valid and credible. It can only prove itself to be valid and credible if all institutions (meaning political organizations, businesses and NGOs) respect the norms of transparency, accountability and integrity. Also, hard results help to validate processes.

In the governance model sketched in the paper, NGOs and business both play a role in realizing societal values. Part of the synergy between those two depends on the power balance between NGOs and

business. NGOs seem quite fragile in this balance. A relevant question becomes: how can we strengthen NGOs?

Strategies might be:

Give NGOs social space, allow them to develop themselves,

Involve NGOs in decision making political processes, both on the national and international level,

Stimulate soft law. This is often (partly) formulated by NGOs and helps to give soft regulations judicial power when necessary.

Stimulate citizens to get involved with NGO work

For NGOs to be effective it is also of paramount importance that their social surrounding -business, political actors, citizens, judges etc.– takes them seriously.

C) Exclusion versus Inclusion

The exclusion problem is relevant both in the international context in which whole countries and continents are pushed to the margins (Lost Africa) and in the national contexts. In third world countries there are extreme rich elites next to the poor masses, while in the so called developed countries many very, very poor people struggle for their lives next to the rich middle-class people.

From the world population about 80% does not take part in the globalization process: many people do not have access to Internet, television, telephone lines and other globalizing media.

Also, many people do not profit from globalization. The generation of wealth brought about by free trade worldwide is concentrated in the hands of a happy few.

Lastly, globalization tends to strengthen the tendency of exploitation, because labor-power weakens in times of globalization (labor becomes less scarce and labor is less mobile as capital). This means that the differences in income among people and among countries tend to widen.

Traditional ways of fighting underdevelopment do not seem to work well. The UN financial institutions that occupy themselves with poverty now no longer seem to be effective. We do formulate minimum standards, for example in the ILO agreements and in the UDHR. This is okay, but it is far from enough. How should we deal with this inclusion-exclusion problem in the globalizing society? What can we do?

Globalization as it finds place now is exclusive in character. Is that inherent in globalization itself, or are there ways to make globalization

inclusive? How can globalization go hand in hand with a just and participatory society?

Crisis of Spirituality in Globalization Era

By: Dr. Mohammad Javad Aqajari

Some thinkers maintain that globalization is a preplanned project for an easier plunder and pillage of the world; it is not a process arising from the conditions of the world. However one may state that although economic, cultural and even political globalization is an inevitable reality, as a project, it has an independent existence from the process of globalization. Hence it is the duty of the free-spirited human beings to strengthen the process of globalization vis-à-vis the project of globalization by power-mongers. The spiritual leaders should implement this "process" (vis-à-vis the project) so that the threats are changed into opportunities. One should

make a logical distinction between the process of globalization and the project of globalization (formation of the New World Order). Religious leaders must be prepared for a stronger presence in the globalized world to restore the role of religion and spirituality, which they have been deprived of for centuries.

The project of globalization has been devised by the power-mongers to swallow the world. It is a devastative project which undermines culture, religiousity and spirituality.

The common usage of the word globalization for the process and project of globalizations has confused a number of people and even a number of elites. Contrary to the project of globalization whose criteria and pivot is the Western and White culture and values, within the framework of the process of globalization, religious leaders through utilization of their local, and regional beliefs can elaborate on their status and promote and develop spirituality, for one of the important opportunities in the process of globalization is dialogue and exchange of views among the religious leaders of the world.

At the same time the process of globalization is a natural process which does not have any mentor and is the natural process of man's growth and development. The process of globalization has provided

man with a umber of opportunities, while the project of globalization has pose a number of threats and challenges to man.

The process of globalization provides the cultures, religions and civilizations with an opportunity to interact, provided that one culture does not try to dominate all other cultures of the world (this is what has been known as cultural invasion).

Interaction among the cultures has been facilitated through modern technological means such as Internet and information and communications technology (ICT). The world has shrunk and become a global village now. If the reduction of time and space in the communication is properly utilized for cultural dialogue, interfaith dialogue and dialogue among civilizations, then the process of globalization will provide the nations, cultures and civilizations and even individuals with a golden opportunity to work for a common platform to forward international peace and security. As a result there can be peaceful coexistence among all cultures, religions, and civilizations. This is a dire need of human society in the beginning of the third millennia.

The process of globalization should be considered a unique opportunity for all peoples of the world in order to be able to improve their conditions at international level and remove a number of

limitations existing in the world, which prevent their growth and dynamism. This in fact requires conscious utilization of this opportunity and adjustment of the materialistic development with spiritual growth.

The process of globalization is accompanied with the collapse of borders, weakening of the role of governments and their replacement with non-governmental organizations (NGOs), and overall more active role of institutions of civil society in various social arenas and even in the political field. This is an opportunity for spiritual and religious organizations to spare no efforts for preparing the grounds for interfaith dialogue and peaceful coexistence.

Globalization is tantamount to the removal of cultural borders with the help of satellites, Internet, etc. as well as utilization of trans-border cultural products and goods. If the process of globalization is carried out under the aegis of the saintly leaders, religious figures and spiritual mentors, it will not negate the cultures and cultural beliefs and values of other peoples of the world, rather it will attach significance to cultural interactions and dialogue among civilizations instead of clash of civilizations which is propounded by some political advocates of globalization. According to Jean-Francois Lyotard, "within the framework of globalization, one should think globally, but act locally."

In fact in the process of globalization, information and communications technology spread in a manner that interaction between the religious leaders of the world become very easy and finally through exchange of views they find fair solutions to the differences and fairness becomes the cornerstone of global communications.

In a globalized world, a number of developments have joined hands to prepare the grounds for broader presence of religious, spiritual leaders in various arenas of the modern world; some of these developments include the emergence of electronic trade (e-commerce), transformation of international beliefs, weakening of the role of governments as the guards of traditional values, and shift of religious leaders from local, regional and national players to the international players.

At the same time we must not forget that the project of globalization poses certain threats and creates a number of challenges for the religious, spiritual communities. Spirituality is a necessary condition for social life. Without a spiritual framework human beings will not be able to have meaningful, sustainable relations. The emergence and creation of new intellectual schools of thought such as postmodernism, which emphasize on the volatility and instability of spirituality, along with the technological developments in the arena of

information and communications technology as well as the emergence of the network and information society, have undoubtedly shaken the spirituality of our societies. The crisis of spirituality in turn paralyzes social life. In fact these are nothing but the outcome of a project which is called "globalization". Hence, individuals, groups and societies must solve the crisis. Indeed the restoration and reconstruction of spirituality in the process of globalization is the main solution to this problem, for the basis of man's personality is spirituality and spirituality is the basis of relations among individuals in the globalized world. The juxtaposition of cultures in the vast social atmosphere and relativity ensuing from it creates a world in which there is nothing absolute or universal, shaking the foundations of any meaningful certitude, definiteness or spirituality. It is said that every individual needs the specific, unique feeling of being. If he fails to create this feeling through creativity, he will do it through assimilation with other human beings. The personality of every individual is formed on the basis of the conditions and opportunities that his society and culture provide him. In fact globalization undermines the conditions and opportunities that the indigenous society and culture provide the citizens, creating a crisis for them. Indeed all the societies in one way or another have been engaged in the ever-intensifying spiritual, cultural and normative crises. The crisis of spirituality stems from the decline of culture, personality, ethic and religiousity of the societies and is considered a serious crisis.

Given the fact that the caravan of human civilization always moves forward and does not stop even a moment, this move creates a deep gap between the nations and their spiritual cultures. But it should not be concluded that the societies have to traverse a single path in order to achieve prosperity and sublimation. Naturally, the countries with richer material and spiritual resources, innovations and inventions traverse the path of progress and development with a greater speed. However, it is not clear if they will achieve felicity at the end of the road. In fact, today, it is quite clear and obvious that higher degree of welfare, higher speed, better development... do not necessarily lead to salvation, tranquility and spirituality of the entire society. For man to be what he must be there is not any way except returning to human values. That is, before practice and before expression of one's ideas about an issue, he must ponder for a while, he must return to his inner self to make a proper decision. Among various beliefs and ideas before man, he must chose those that truly belong to him. Meditation and pondering on oneself is exactly the opposite point of a hasty, chaotic life which is the outcome of the globalization of societies. Chaotic life means allowing the things around us to interfere in our life and influence our decisions and just like a machine take us to this or that side without any discipline. A person who has realized his "self" concentrates on himself and one who takes care of himself does not allow his helm to be controlled by others. A man who looks after

himself does not allow his "self" to become alienated from him or to be converted to something other than his "self". The opposite point of being one's own self is being another, shaky and indecisive. What are outside me are what surround me, which include the physical world and other human beings. If I allow the things and other ideas surrounding me to influence me, I would not be my "self" anymore, rather it is otherness and change of personality. In otherness man loses his original characteristics, that is the inherent spirituality and morality and will have a pseudo-life.

The project of globalization means the propagation of the American capitalist culture and advocacy of the American capitalist system. The culture of globalization is accompanied with cultural metamorphosis and crisis of spirituality.

It is pertinent here to refer to some aspects of cultural metamorphosis and crisis of spirituality in the globalization culture. It seems that there are two ways ahead of us: one, the path of materialistic culture; and two, the spiritual culture. The first path may be materialized through the media or transfer of the doctrines to the nations, like materialistic technology. Now the question that occurs to mind is: what is there in the materialistic technology that really leads man towards losing his position as human being? The materialistic technology creates an atmosphere in human societies where the

criterion of values is only quantity. In other words, any action aims to gain material interests – this mains keeping away from spirituality.

Under such circumstances, man is totally far away from his human identity and is converted into something which is merely materialistic. And his reasoning is merely industrial reasoning! He will understand only what has already been defined for him.

The second path is that of spiritual culture whose means are educated human beings, commerce or tourism industry to transfer the cultural doctrines to other nations. In cultural metamorphosis we come across change of identity of man by technology and weakening of his will, reducing him to a being that wavers from this side to the other without any emotion, reason and will. According to Imam Ali (PBUH), the First Infallible Imam of the Shias, man becomes alienated just like "small hills that move with any breeze or noise." [Nahj ul Balagha, saying 147]

A man alien to sublime values is no more a human being, rather is a thing or a beast.

By changing the chronological time to achronological time the project of globalization in fact destroys the spiritual past. The destruction of the past is tantamount to the annihilation of "memory"

and "history" and the connection between the common past and common present. Under the circumstances man experiences a kind of "contemporariness" and does not feel the passage of time, while one of the prerequisites to man's spiritual identity is the feeling of continuity in the passage of the time, for perception just like awareness belongs to the time. Hence once time, like continuity is eliminated, the unity of subject is tarnished and a feeling of temporariness and volatility dominates man's mind. As a result the entire spirituality is undermined.

Without any doubt culture is the major source of spirituality, for a rooted culture creates a strong spirituality. Individuals, groups and societies gain spirituality through recourse to cultural elements and components. These elements are capable of fulfilling the demands of man and collecting them in societies. Culture is on the one hand a uniting factor and on the other a distinctive one, for it unites the societies and communities, but at the same time it distinguishes them from one another. The very same elements of culture grant spirituality to man.

In the traditional societies, culture has been able to provide the individuals with spirituality, for it has a strong capability and ability to create spirituality and at the same time give independent identities to them. Not only culture has created transparent, durable frontiers in

such societies, but also has been able to provide these societies with significative, peace-giving systems.

Therefore the people born in a society with a definite culture are automatically the inheritors of spiritual and significative systems. As a result there is no ground for them to face crisis of spirituality. It should be borne in min mind that the spiritual and siginficative power of culture has close relations with the motherland and territory.

The penetrability and collapse of the borders due to the project of globalization and the emergence of the network and information society have undermined the secure atmosphere and privacy of the cultures. All private arenas are dismantled and every culture lands in an atmosphere where all other culture are present. In such a borderless world the cultural components and elements inevitably encounter each other. As a result, cultural purity and stability are replaced by volatility and interaction.

As a result, we have both opportunities and challenges. Under the circumstances, the religious, spiritual leaders can play a decisive role in bringing about peaceful coexistence among the followers of various religions and cultures.

It is of paramount significance to reveal that there is no ideological hurdle in the Islamic societies in the way of dialogue among cultures and interfaith dialogue. Hence we stretch out our hands towards the followers of all other divine religions to engage in a serious dialogue to pave the way for mutual understanding, peaceful coexistence to promote international peace and security which are the prerequisite to economic and social and cultural development.

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Impact of Globalization on States Dissolution

Prasenjit Maiti

Introduction

Globalization has been described (Kegley Jr. and Wittkopf, 1997: 249) as the "intensification of economic, political and cultural relations across borders" that is noticed in the following pieces of evidence: the average daily turnover in foreign exchange increased from $200 billion in the mid-1980s to approximately $1.2 trillion in 1996; net capital flows to developing countries grew from an annual average of $44 billion for the period 1983-88 to $197 billion in 1996; and Foreign Direct Investment

increased from $10 billion to $91 billion (Echeverri-Gent, 1997). However, it has also been noticed (Lee, 1996: 382) that "the worldwide gap between the rich and the poor has become a vast chasm. Both within and between countries, the rich grow richer at the expense of the poor." Lee adds that the share of income of the poorest 20 percent of the global population has fallen from 2.3 to 1.4 percent in the last 30 years while the share of the richest 20 percent of the global population has increased from 70 to 85 percent. More than 1 billion people live in countries where average per capita income fell between 1980 and 1993. Lee has even quoted the United Nations Development Program administrator, Gustave Speth, who maintains that if the world continues down its current path, "economic disparities between industrial and developing nations will move from inequitable to inhuman."

It is as if a specter of sorts is haunting the world's governments today - the specter of globalization. Some would argue that predatory market forces make it impossible for welfarist governments to protect their populations from the beasts of prey that lurk beyond their national borders while others counter that benign market forces actually prevent predatory governments from fleecing their own citizens. Although the two sides perceive different villains, they draw one common conclusion: omnipotent markets mean impotent politicians. Indeed, this formula has become one of the clichés of our Age of Globalization. But is it always true that governments have become

weaker and less relevant than ever before? And does globalization, by definition, have to be the nemesis of national governments?

Globalization is a journey toward an unreachable destination, 'the globalized world' or the so-called Global Village. A 'globalized' economy may be defined as one in which neither distance nor national borders obstruct economic transactions. This is a world where freight charges are nil and tariff barriers set up by differing national jurisdictions absent. Needless to point out, we do not live in anything even close to such a world. And since many of the commodities we transport (including ourselves) are physical, we never would.

The Lineage of Globalization

This globalizing journey is not a new one. Over the past five centuries, technological change has progressively reduced the barriers to international integration. Transatlantic communication, for instance, has evolved from sail power to steam, to the telegraph, the telephone, commercial aircraft, and now to the Internet. Yet, states have become neither weaker nor less important during this odyssey. On the contrary, in the countries with the most advanced and internationally integrated economies, the governments' ability to tax and redistribute incomes, regulate the economy and monitor the activity of their citizens has

increased beyond all recognition. This has been especially true over the past century.

The question that remains, however, is whether today's form of globalization is likely to have a different impact from that of the past. Indeed, it may well, for numerous factors distinguish today's globalizing journey from past ones and could even produce a different outcome. These distinctions include more rapid communications, market liberalization and global integration of the production of goods and services. Yet contrary to one common assumption, the modern form of globalization will not spell the end of the modern nation-state.

Today's growing integration of the world economy is not unprecedented, at least when judged by the flow of goods, capital, and people. Similar trends occurred in the late nineteenth and early twentieth centuries. First, the proportion of world production that is traded on global markets is not that much higher today than it was in the years leading up to World War I. Commerce was comparably significant in 1910, when ratios of trade (merchandise exports plus imports) to Gross Domestic Product hit record highs in several of the advanced economies. Global commerce then collapsed during the Great Depression and World War II, but since then world trade has grown more rapidly than output.

Mainstream economic thought promises that globalization will lead to a widespread improvement in average incomes. Firms will reap increased economies of scale in a larger market, and incomes will converge as poor countries grow more rapidly than rich ones. In this win-win scenario, the importance of nation-states fades as the Global Village grows and market integration and prosperity take hold.

But the available evidence suggests an entirely different scenario. Average incomes have indeed been growing, but so has the income gap between rich and poor countries. Both trends have been evident for more than 200 years, but improved global communications have led to an increased awareness among the poor of income inequalities and heightened the pressure to emigrate to richer countries. In response, the industrialized nations have erected higher barriers against immigration, making the world economy seem more like a gated community than a global village. And although international markets for goods and capital have opened up since World War II and multilateral organizations now articulate rules and monitor the world economy, economic inequality among countries continues to increase. Some two billion people earn less than $2 per day.

At first glance, there are two causes of this divergence between economic theory and reality. First, the rich countries insist on barriers to immigration and agricultural imports. Second, most poor nations

have been unable to attract much foreign capital due to their own government failings. These two issues are fundamentally linked: by forcing poor people to remain in badly governed states, immigration barriers deny those most in need the opportunity to 'move up' by 'moving out.' In turn, that immobility eliminates a potential source of pressure on ineffective governments, thus facilitating their survival.

Since the rich countries are unlikely to lower their agricultural and immigration barriers significantly, they must recognize that politics is a key cause of economic inequality. And since most developing countries receive little foreign investment, the wealthy nations must also acknowledge that the Washington Consensus (Williamson, 1990)[2] - which assumes that free markets would bring about economic convergence - is largely mistaken. If they at least admit these realities, they would abandon the notion that their own particular strategies are the best for all countries. In turn, they should allow poorer countries considerable freedom to tailor development strategies to their own circumstances. In this more pragmatic view, the role of the state becomes pivotal.

Why have economists and policymakers not come to these conclusions sooner? Since the barriers erected by rich countries are seen as vital to political stability, leaders of those countries find it convenient to overlook them and focus instead on the part of the global economy that has been liberalized. The rich countries' political power in multilateral

organizations makes it difficult for developing nations to challenge this self-serving world-view. And standard academic solutions may do as much harm as good, given their focus on economic stability and growth rather than on the institutions that underpin markets.

The Janus Face of Globalization

So contemporary states informed by globalization are like so many Januses - it has, generally speaking, a robust face in the developed North but an almost impotent face in the developing or underdeveloped South. So globalization necessitates a dialog between the rich and the poor outside its essentialist assumptions of an uneven power discourse as conditions of Good Governance and Structural Adjustment Programs (Gary and Mayo, 1995) benchmark most Third World postcolonial democracies (Ray, 1989, 1996) today.

While there are contentions (Rapley, 1996) that aggressive market forces make it difficult for welfarist governments to protect their citizens from transnational actors that are as elusive as their hot money, there are also counter-arguments (Keohane, 1998) that institutions like the International Monetary Fund or the World Trade Organization actually safeguard citizens from the administrative limitations of their respective national governments. There appears to be a consensus, however, that powerful markets tend to undermine political élites at

home (Barber, 1996; Cox, 1993; McGrew, 1992; and Slater, 1996). But does this also suggest that national governments have been so thoroughly undermined today that the Global Village can eventually replace the state?

John Echeverri-Gent (1997) has pointed out that if globalization, on the one hand, facilitates decentralization then, on the other, it also helps develop pockets of dynamic Free Trade Areas in large developing countries like China and India by reorganizing their economic geography, Foreign Direct Investment and global commodity chains. This process, however, creates large hinterlands of economic backwardness and entrenches economic inequality within the developing South. Globalization, therefore, intensifies regional disparities in the Third World. John Rapley (1996) has found that Structural Adjustment Programs have varied widely in the results they have yielded. While Latin America has partially benefited from structural adjustment, Africa has not. Rapley has also argued that Rolling Back the state, *ie*, less government (as an imperative of contemporary globalization) does not always lead to enhanced economic growth.

Globalization, therefore, would appear to be an open-ended journey toward a globalized world order whose weightless economy (Huws, 1999: 32) may be described as one that defies both national and international borders so far as economic transactions are concerned.

This is a situation where freight charges are nil and trade/tariff barriers would disappear. Such a pilgrim's progress, however, is nothing new. Technological innovations during the past five centuries have steadily helped integrate the global community into an emergent global civil society. Transatlantic communications have developed from sailing boats to steamships, to the telegraph, the telephone, the commercial aircraft and now the Internet where even nationalism as a conventional political ideology has been reduced to 'banal nationalism' (Billig, 1995).

Whither States System?

But states, meanwhile, have not ostensibly lost their importance and, on the contrary, even Third World governments' capacities to tax and redistribute incomes, control their domestic economies and hegemonize civil societal activities have expanded in a significant manner (Aziz and Arnold, 1996). This is notwithstanding the fact that "In any corrupt regime people enjoy the benefits of bypassing the government regulation. Under-reporting of income leads to tax savings which helps both the taxpayer and the assigning official who receives a bribe. But, this is not an unmixed blessing. In a society where corrupt officials can wield power of coercion and harassment, people are forced to pay bribe to avoid problems. Thus corruption entails benefits as well as cost" (Marjit *et al*, 1999: 23).

However, the present-day transition of state efficacy - from welfare to Good Governance - has to be explained in terms of a paradigm shift that can even lead to deinstitutionalization of state apparatuses in postcolonial democracies as the conventional manner of looking at the welfarist state as a sponsor of nation building (Kothari, 1976) is subverted in the process. James Manor (1996: 8-9) would confirm that "In recent years, many Western aid and development agencies have increasingly emphasized the need to promote 'good government' in their programs . . . Many scholars . . . regard 'good government' agendas and the conditionality that goes with them as an example of latter day imperialism. Many also worry that some of these agendas entail considerable hypocrisy on the part of Western funders . . . The contents of some 'good government' agendas are rather curious. Some place enormous stress on the need for market forces to predominate, which is not everyone's idea of 'good government'. Some mix that emphasis and pressure to enact structural adjustment programs with pressure for democratization, decentralization, respect for human rights, legal reform, poverty alleviation, transparency and accountability. There is a degree of dissonance between some of these varied elements . . . Capitalism requires the existence of state institutions, no matter how many free marketeers loosely claim that what it most needs is the disappearance of government. As economic liberalization proceeds, there is a greater need for contract law and for

judicial and executive institutions to ensure that it actually makes an impact."

Globalization entails another paradox - it requires Good Governance underpinned by Structural Adjustment Programs that can, however, erode the popular bases of democratic governance (March and Olsen, 1995), and lead to collapse of entire régimes. Malcolm Waters (1995: 99-101) has pointed out that "In the third quarter of the twentieth century the corporate welfare state hit a multiple and widely recognized crisis . . . The response to this multiple crisis was a process of disétatization or state-weakening . . . state intervention by command was reduced but at the same time states sought to increase the scope and scale of the market. Many government services were opened to competitive tendering between the public and private sectors and, as is well known, many state-owned industries were returned to the private sector. Many states stopped providing welfare in certain areas . . . The crisis of the state contributes to the reflexivity of globalization."

Globalization, therefore, would increasingly come across as the transition of world capitalism from one stage to another, safeguarding investments of global capital in this process. Globalization also increasingly requires disinvestment, prompting Anthony Giddens (1995: 140-1) to argue that "The relation between the decline of the welfare state and the changing character of the global order of states

was to some extent masked by the very political successes of the New Right. The neoliberals led the attack on the 'overloaded' welfare state in the name of freedom of competitive enterprise from bureaucratic burdens and from enfeebled labour markets. Simultaneously, however, they not only defended the state and nation but called for a 'strong state' in the international arena. The paradoxical character of this position was soon noted by critics, and corresponded to the wider paradoxes of New Right political theory . . ."

Available evidence, as mentioned earlier, suggests that average incomes have increased while the income gap between rich and poor countries has also widened (Albo, 1997; Altvater, 1997; Echeverri-Gent, 1997; Epstein *et al*, 1996; Lee, 1996; and Wallis, 1996). Both trends have been evident for more than 200 years – it is only now, however, that improved global communications have resulted in a growing awareness among citizens of poor countries of income inequalities, and compelled them to increasingly immigrate to rich countries. Rich countries, consequently, have been provoked to pass laws that discourage mass immigration (Kalpagam, 1994). It has even been mentioned that (Fix *et al*, 1994) "Although there is no evidence to date of broad job displacement and the evidence regarding major wage effects is inconclusive, concerns have been raised about the impact of high levels of immigration on the growing wage inequality in the U.S."

'The US is Us'

This, however, tends to reduce the global economy to an exclusivist power arrangement that also draws on McDonaldization/Coca-Colonization – or cultural homogenization – indicated largely by the one-way-traffic (*ie.* infiltration and withdrawal of global capital into the Third World at will but not likewise when infiltration of Third World labor into the North is concerned). According to Eric Helleiner (1994: 173), "the globalization of finance has . . . aided the U.S. in preserving its policy autonomy in the face of growing external and internal deficits . . . the U.S. in fact actively cultivated the globalization phenomenon partly for this reason, beginning with its support of the Eurodollar market, carrying through opposition to capital controls in the early 1970s, and culminating in its enthusiasm for financial liberalization during the Reagan years. Globalization benefited the U.S. because of its hegemonic position in the new open global financial system, a position derived primarily from the unique attractiveness of U.S. and Eurodollar financial markets to foreign investors."

Rich countries steadfastly maintain their immigration barriers and discourage agricultural imports while most poor countries have not been quite successful to attract much Foreign Direct Investment due to misgovernance on the part of their national governments. Rich

countries, however, may as well concede that politics is a fundamental informant of economic inequality since they are not likely to lower their agricultural and immigration barriers in the near future in order to facilitate protectionism at home. Rich countries may also review the performance of the Washington Consensus, which assumes that free markets necessarily promote economic convergence and underscores important issues (like the rule of law, property rights and transparent banking systems) to sustain dialogs between the North and the South.

Nicola Bullard, in 'The Beginning of the End of the Washington Consensus' (1998), had observed that "In spite of the economic maelstrom threatening to engulf the world, this year's IMF and World Bank meetings were notably subdued. It was clear to everyone that the global economy was in trauma: Long Term Capital Management, one of the world's biggest hedge funds, had just been bailed out by what the *New York Times* described as 'Wall Street cronyism' [with some arguing that not to (do) so would have threatened world financial markets]. Asia's economies are showing little sign of recovery in spite of massive IMF intervention. Russia, suddenly and catastrophically, has been reduced to a cashless pariah (not that anyone dared speak about Russia - obviously its spectacular collapse is not a topic for polite company!). Brazil, meanwhile, is desperately trying to keep the speculators from the door, and Japan is seemingly unable to muster the political will to restructure its failing banks. Things were looking bad, and no one knew what to do" (italics mine).

Rich countries may also on occasion encourage poor countries to Think Globally, Act Locally - rather than global – development strategies that would be locally grounded within the larger context of globalization. According to Bullard (1998b), "Redistribution of wealth and purchasing power to the four-fifths of the world who are not being given a chance to pull us out of this recession would give the (U.S.) economy a kick start, would ease the problem of overproduction, and provide all sorts of useful ways to recycle profits. It would also cool down global capital markets.

"However, creating this demand requires significant social reform in terms of asset and income distribution. It means land reform and wage and labor reform. Industrialization via cheap labor and natural resource exploitation is no longer viable. We have reached the point where further economic growth can only be achieved by expanding domestic markets and by expanding our definition of what is productive to include public goods, culture, the environment, and human security. We are at a moment in history where economic necessity coincides with social justice."

Globalization and Human Rights

Globalization has occasionally been regarded as a solution to problems like underdevelopment, malnutrition and violation of human rights,

and important human rights institutions have been set up and incorporated into the global human rights régime. Governments are finding it increasingly difficult to violate their citizens' human rights without attracting the attention of the media and international organizations as a result of developed telecommunications and global interdependence. Indeed, overall human rights practices have improved worldwide during the last decade or so. However, this improvement has neither been universal nor linear.

Globalization, *ie,* the growing interpenetration of states, markets, (tele)communications and ideas across borders is one of the major informants of the contemporary world order. International agencies for the protection of human rights are now more developed while an emergent global civil society facilitates avenues of appeal for citizens repressed by their own states. But assaults on fundamental human dignity continue, and the very obliteration of borders and promotion of transnational actors that had originally sponsored the global human rights régime may also generate *newer* sources of human rights abuse. Even as they are more widely propagated and accepted, the rights of individuals have come to depend increasingly on an entire range of actors and forces - from the multinationals to the missionaries! What are the patterns of the human rights impact of globalization? Are new problems replacing, intensifying or mitigating state-sponsored repression? How effective are new forms of human rights accountability? Can new global human rights problems be addressed

by the global human rights institutions developed to combat state abuses? Are certain dynamics of globalization generating both problems and prospects? How can new opportunities be used to offset new problems? The emergence of the global human rights régime, growing transnational social movement networks, increasing consciousness and information politics have the potential to address both traditional and emerging forms of human rights violations. The United Nations has supervised human rights reform in El Salvador, Cambodia and Haiti while creating a new High Commissioner for Human Rights. The first international tribunals since Nuremberg are prosecuting genocide in the former Yugoslavia and Rwanda. Transnational legal accountability and humanitarian intervention promote universal norms and link them to the enforcement power of states. Thousands of non-governmental organizations monitor and lobby for human rights across the world. Alongside important exponents like the Amnesty International, globalization has generated new forms of advocacy such as transnational professional networks (PEN, Doctors Across Borders *etc*), global groups for conflict monitoring as well as coalitions across transnational issues. New forms of communication allow victims to videotape their plight, advocates to flood governments with fax messages and Web sites to mobilize urgent action alerts. But the efficacy of global awareness and pressure on the states, paramilitaries and insurgents responsible for *traditional* human rights violations varies considerably. Moreover, access to the new

global mechanisms is distributed unevenly so that certain worst-hit victims like the illiterate rural poor or the women refugees are the least likely to receive global as well as domestic redress. Beyond this interaction of new solutions with old problems, *new* human rights problems may result from the integration of markets, the shrinking of states, increased transnational flows, the spread of cultures of intolerance and the decision-making processes of new or emergent global institutions. For instance, the increasing presence of multinational corporations has challenged labor rights throughout Southeast Asia and along the Mexican border. Increasing migration worldwide expose growing numbers of refugees and undocumented laborers vulnerable to different forms of abuse by sending and receiving states. International economic adjustment and the expansion of sex tourism are linked to a rise in prostitution and trafficking in women and children, affecting millions in the Caribbean, Southeast Asia and the post-Soviet states. The Internet that empowers human rights activists on the one hand also happens to facilitate governmental repression on the other, and even instructs neo-Nazis to post transnational death sentences against their dissenters. Unelected global institutions like the World Bank, international peacekeepers or environmental NGOs administering protected areas increasingly control the lives of the most powerless citizens of weak states.

Conclusion

However, the political élites of rich countries may even find it occasionally convenient to overlook their own immigration and tariff barriers since such barriers are considered absolutely vital to their own domestic political stability. The amount of clout rich countries command at multilateral platforms like the International Monetary Fund or the WTO more often than not makes it difficult for developing countries to successfully negotiate such barriers.

Jan Aart Scholte (1996: 55) has analyzed in this connection that "Globalization has to date mostly been an extension of modernization. At the same time, the rapid rise and wide-ranging reach of this transformation of social space has brought great instability to capitalism, made traditional conceptions of sovereignty unviable, heightened worries about ecological sustainability, injected much confusion into the construction of identity and encouraged reactions against reason. To this extent, globalization has opened space for critical theory and a fundamental rethink of production, governance, ecology and community, as well as the nature and purpose of knowledge itself."

We would conclude by maintaining that the contemporary states system may well be compared to Janus - it has a strong face in the

developed North where immigration and tariff barriers have been erected to discourage further redistribution in terms of income transfer entitlements among Third World immigrants; the United States has even imposed embargo on import of Indian carpets ostensibly because their production involve child labor *i.e.* human rights violation! But the postcolonial state almost necessarily assumes a rather weak face in the developing South where governments have repeatedly failed to come up with Good Governance despite their modernizing, albeit non-Westernizing, civil societies (Huntington, 1968, 1996). However, the state located within the contemporary post-capitalist/post-industrial globalization discourse is yet to wither away – we may regard it (among its different *avatars*) as an important facilitator in the uneven, if not multicultural, North-South dialog. We may even also regard it as an actor that would continue to engage its civil societies and public sphere (Habermas, 1992a, 1992b) *vis-à-vis* critical issues like Good Governance, Structural Adjustment Programs and social capital formation (Loury, 1987; Putnam *et al*, 1993; and Coleman, 1994) or otherwise. As the theme song in Alfred Hitchcock's *The Man Who Knew Too Much* would suggest: *Que sara sara* . . . What will be will be, the future's not ours to see . . . *Que sara sara* . . . However, the liberal democratic state may become even more repressive and organized during the course of Globalization 2 in order to address increasing popular discontent and public disorder that would follow any roll-back of its welfarist arrangements and civil societal concerns.

Endnotes

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2. Economist John Williamson's prescriptions that had informed the Washington Consensus were [1] Fiscal discipline, [2] Redirection of public expenditure, [3] Tax reforms, [4] Financial liberalization, [5] Adoption of a single, competitive exchange rate, [6] Trade liberalization, [7] Elimination of barriers to Foreign Direct Investment, [8] Privatization of state-owned enterprises, [9] Deregulation of market entry and competition, and [10] Ensuring secure property rights.

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The Hidden Dimensions of Globalization:

What is at Stake Geoculturally?

By: Jean Tardif

It is much too soon to know whether September 11, 2001 will change the world as much as the fall of the Berlin Wall has, but it has unquestionably brought home very important dimensions of globalization. In particular, the shock has raised questions about global management of the relationships between diverse cultures and societies and about the media as channels of globalization. Should cultural industrialization, led by a small number of large media conglomerates radically change the ways we think about managing cultural relationships? What might be the conditions that would allow

these relationships to become genuine dialogues between cultures that are equal in dignity, if not in resources?

What is at Stake in Global Dynamics: Three Key Issues

Since the 1648 Treaty of Westphalia national territories have been the foundation of international relations based on relationships between sovereign states. Today's global dynamics more and more transcend this interstate model, however. Not everything is nor will everything be globalized. Globalization does nonetheless constitute the structuring process for key sectors of contemporary activity, constraining us to rethink the relationships between territory and security – its geopolitical stakes – and between territories and economies – its geoeconomic stakes. Quite as important, it is changing relationships between territory, cultures and the representations of them that we have.

September 11 revealed many things, but prominent among them, alongside economics and security, was the ineffectiveness of the interstate system in managing relationships between societies and cultures. Socio-cultural realities no longer coincide with the borders of nation-states. The consequences of this can be seen in the prominence of cultural reactions to 11 September, the difficulties of Europeans in articulating national identities with European integration and the many struggles about identity that we observe around the globe. Cultural

questions have political dimensions that cannot be reduced to artistic matters or to cultural "products."

Globalization obliges us to find new responses to the fundamental political issues of, "what should we do, what can we do, what do we want to do, together locally, nationally and, more and more, extra-nationally – regionally, globally?" The demands of democracy don't stop at national borders. Asking such basic questions prods us to recognize that the national project is not finished and may still serve as the most appropriate place to organize societies and exercise citizen responsibilities. This national project, along with the roles of the national state, needs to be redefined and articulated with political projects at other levels, most notably the extra-national. This is clearly true for security and economics, but it is also the case for cultures, seen as the collective representations that societies make expressed through shared values and cultural products. Answers to these new questions will not always be the same. Globalization brings a post-Western era which can only be organized in "geometrically variable" ways.

How Does Globalization Affect Relationships Between Societies and Cultures?

Internally, recent events, particularly in Europe, demonstrate clearly that many, if not most, countries must find new ways to manage relationships within their populations, whether through new policies of multiculturalism or other methods of integration that bring changes in national identities. These are very important matters indeed, but concern internal sovereignty. It is instead at the extra-national level (rather than "supranational" or "post-national") that issues relating territories and cultures in new ways present the most urgent challenges.

Samuel Huntington contends that the national interest of a nation is a function of its identity, whose cultural dimensions evolve over time. The quest for identity – or the need for recognition – is constant over history and is not reducible to national projects alone. Instead, it is one component of global dynamics. Since cultures do not necessarily coincide with national boundaries, contemporary realpolitik must deal with the complex realities of what Vacla Havel calls "cultural spheres."

Can we specify the concrete bases of identities, and of cultural pluralism, for the global era? Realism demands recognizing a dialectical reality involving multiple ways of belonging. We need to

understand that the divers foundations of identities come on an ever-changing spectrum ranging on one side from country-cultures (Japan, Denmark, China…) through cultural spheres (the Arab world, for example) and linguistic-cultural areas (francophone and its Spanish and Portuguese equivalents) to Hollywood "world culture" (the McWorld of Benjamin Barber) on the other. Each of these different definitions expresses particular changing realities of global dynamics with which we must come to grips to establish effective global governance in the cultural sphere. In this light, to give but one example, citizens in European countries might have different centers of interest, poles of identification and constantly changing engagements at city, national, EU, and linguistic levels and be asked to exercise rights and assume responsibilities at each level depending upon the circumstances.

The Strategic Nature of Relationships Between Societies and Cultures

It is as important for a society and culture as it is for a country to see its language, values and views of the world shared and carried by others. Understanding these things as "geocultural stakes" gives strategic importance to relationships between cultures and societies comparable to those involved in geo-security and geo-economic matters. It is thus curious to note that cultural matters, dissociable from

identity issues, are quite absent from contemporary strategic debates, including those about the consequences of globalization.

The one possible exception to this may be the United States which has long recognized that its images and visions of the world are central to its international power. In the words of James Rubin "in terms of military capacity, economic strength and the power of our ideas and culture, we are the only superpower in the world." The Americans have thus been successful in supporting firms that can profitably disseminate American images, ideas and values throughout the world. They have understood that the best ways to sell themselves is to create desires and dreams. We cannot reproach Americans for their ability to sell their cultural products and make them an instrument of power. But we must remember that, we are not only talking about trade. Recent political speeches by American leaders clearly demonstrate a strategic vision in which cultural values are central. However much culture exists in the sphere of the symbolic, it also includes quite specific political dimensions.

Some observers have begun to worry that legitimate American responses to September 11 could tempt the US toward the new imperial system theorized by Huntington as uni-multipolar world. This danger emanates less from a particular country than from a system. We have been worried for some time about the homogenization that globalization might bring to world economic space. But, 'as Claude

Nicolet has noted, "whether or not there is a desire for hegemony, the greatest danger of imperialism is in the cultural sphere." The spread of languages and cultures have less to do with their intrinsic virtues than with the underlying power that promotes them. Is it acceptable toady that relationships between societies and cultures depend primarily on the objective demands of what Jeremy Rifkin calls "cultural capitalism?"

Industries of the Imagination

We must recognize that relationships between cultures and societies are no longer mediated primarily by states. Is it acceptable that they are now submitted to market rules, to the goals of profitability and more and more oriented to the homogenization of products created in the few huge studios that manufacture the world's dreams? Today it is the media, the primary channels for cultural globalization, which are at the heart of issues about cultural pluralism, given their economic power and their influence on our symbolic order. Technological development has made cultural exchanges continuous at planetary level with unprecedented rapidity and amplitude. There are vast new possibilities for the enrichment of different cultures in this. But these possibilities cannot be realized in a situation where the imbalance in cultural exchanges is too large. Much of humanity is not yet caught up in these new cultural patterns, but unbalanced and unequal media

flows could reduce cultures that cannot find their own places in cyberspace to a peripheral status. It is impossible to ignore the threat of cultural Darwinism promoted by a market controlled by a few groups operating on global level and which privilege the marketization of culture and for-profit cultural products that use diversity as an exploitable resource in ways that might lead to domination by a globalizing hyperculture.

The industrialization of culture has consecrated the economic dimensions of cultural exchange and practices that justify huge global firms. According to the president of ATT, such firms should meet the imperatives of "ubiquity" that include access for clients everywhere in the world plus appropriate infrastructures and products for doing so. The firms themselves claim that freedom of direct foreign investment and access to markets justify keeping their transnational strategies free from national regulation. All of this allegedly justifies the size, concentration and vertical integration of firms.

This is the schema that has prevailed in the cultural sector, which has the highest level of economic growth of any and which is displacing aerospace as America's largest exporter. It is not surprising that corporate cultural interests have sought to make the opening of markets their top priority in the WTO and to insist that the rules that apply to merchandise trade should apply to the "cultural market." In consequence, the real struggle of those who defend cultural diversity

now must take place, like it or not, around the vertical integration and concentration of firms, even within the European Union.

Oligopolized structures like those of the media would be questionable in any economic sector, including electronics, but it is unacceptable in the cultural sphere. This is the case from an economic point of view since we are dealing with industries with great economies of scale: a film costs no more to produce for a million spectators than for ten thousand. It is above all true because the media don't produce ordinary products, but concepts, values and visions of the world that circulate directly and continuously over the airwaves and screens of the entire planet. Thus the term "industries of the imagination" (P. Flichy) rather than cultural industries better captures the fact that culture cannot be reduced to the exchange of digital bits and entertainment products, even if all of this takes place and evolves in a universe of communications. David Putnam, former president of Columbia Pictures, noted that "some people are trying to convince us that films and television are economic sectors like any other. This is not true. They shape attitudes, create new notions of style and behavior and, in doing so, reaffirm or discredit larger social values...A film can either reflect or undercut our sense of identity as individuals or as citizens of nations."

Cultural identities are now largely created by media detached from territorial constraints and in trade in cultural goods and services. This is why, as with all oligopolies, large inequalities in cultural exchanges are unacceptable. If countries can invoke the defense of national industry to impose quotas on importing steel and agree to "voluntary restrictions" on the export of Japanese cars to Europe on economic grounds, are not measures to ensure minimal reciprocity in cultural matters a fortiori justifiable, particularly since values are at stake. Today, in European countries, screens are filled with anything from 65 to 85% of foreign products. This is not simply a matter of commercial imbalance, but primarily of relationships between cultural and social values with impacts that cannot be overestimated. Researchers at Columbia University, reporting a seventeen year study conducted on 707 families, concluded that television plays a significant role in the development of aggression in adolescents and adults. Answering only a single question should convince about cultural imbalance: "Where do the values, dreams and heroes of young people in Japan, Cameroon, Germany or Brazil come from....from local literature and culture, or from screens?"

Beyond "Cultural Exceptions:" Promoting Cultural Pluralism

Faced with the efforts of big firms to liberalize the "cultural market," some groups have succeeded in mobilizing support and convincing states to retain prerogatives over cultural policies and refuse to

liberalize markets in cultural goods and services through the WTO. Defending cultural diversity seems today to be a recognized objective and negotiating position for the EU, despite divergent national positions. Is this any different from the "cultural exception" of 1993 which M-O. Padis asked whether it was a "way to exclude goods that belong in different universes of value from the market or to organize the market in ways to make the French cultural industry competitive." (Esprit, mars-avril 2002, 38). This idea has had the merit of allowing states to abstain from commitments to liberalize cultural markets within the WTO. Without abandoning it, we need to question its effectiveness with regard to the goals that have been claimed for it. Can the "cultural exception," a barrier without real legal weight, work as a Maginot line in the face of the technological progress and liberalization of telecommunications markets that is well under way within the WTO. These convergent trends create new constraining conditions that will render national measures beside the point and have even greater consequences than new negotiations on services. What can a small producer do when faced by a conglomerate that can open a film on 900 screens in one country in a day?

Tying the defense of cultural diversity to the power of states to define their own cultural policies neglects the fact that national policies cannot be effective if they are not backed by some instance that can govern trans-national cultural exchanges effectively. It is thus clear

that the future of cultural pluralism will be decided at transnational levels. It is important to abandon the political schizophrenia allowing governments to support a powerless UNESCO declaration defending cultural diversity while they simultaneously adopt WTO measures leading to cultural liberalization. Geo-cultural issues need to be put on the same level as geo-political and geo-economic ones. We need to extract relationships between societies and cultures from the economism that today dominates the world system. We need, therefore, to formulate goals to allow us to go beyond "cultural exceptions" and affirm the primacy of the social-cultural dimensions of human exchange.

What is most important to defend, the exceptional status of cultural goods, the maintenance of the status quo in relationships between governments and audiovisual producers, or the effective definition of conditions promoting real pluralism? To respond clearly it is useful to make a distinction between diversity and pluralism. Diversity is the premise of everything that lives, including human beings, one of the givens of nature. The physical ecosystem is something that evolves. The human ecosystem, in contrast, is the product of choice. Cultural pluralism is not a reified thing, nor is it a "global public good." It is instead the consequence of constant individual and collective choices, an affair of the will that refuses homogenization. Defending and promoting cultural pluralism is thus not defending a past and impossible status quo, cultural relativism or exceptional rules for

cultural goods and services. Instead it is defending a reasoned expansion of the right to exercise individual and collective choices in conditions of sufficient autonomy in the absence of external constraints or conditions limiting its scope, including the possibilities for producing and exchanging diverse forms of cultural expression. This is a primordial issue for human development, a universal struggle whose adversary is a hegemony that is unacceptable when its touches the imaginary or seeks to instrumentalize cultures in the service power. Cultural pluralism is a fundamental political principle of world order and thereby one of the priorities of global governance.

What is at Stake in Geo-cultural Relations? Global Governance and Democracy

What are the practical consequences of these claims? How can geo-cultural matters of cultural pluralism be given the place they deserve in global governance? Given the role of the media in interactions between cultures, how can we reconcile the utilitarian logic of markets with the logics of identities in an exchange regime adapted to actual global dynamics? How can we reconcile the roles of different actors in the cultural sphere? How can we prepare and legitimatize the decisions that we need to take on such trans-national issues?

Global governance is no longer a simple extension of the Wesphalian interstate system. It cannot be achieved by a utopian world government or parliament. It cannot happen through state regulation either. Governance, which is not a synonym for government, might be defined as the art of associating different concerned actors – since the state is no longer the only actor – in the articulated and coherent exercise of mutual responsibilities. This kind of governance must consider geo-political and geo-economic issues while also seeing relationships between societies and cultures not as fault lines, but as spaces for real dialogue and responsible exchange that cannot be reduced either to trade or power.

The public demonstrations of protest that now accompany international summits underline the democratic deficit in decisions taken at extra-national levels by delegates from states who have usually not asked for or received explicit mandates from their peoples for secretly negotiating treaties that often will prove more constraining for citizens than most national laws. It is a matter of urgency to re-found the legitimacy of extra-national decisions through genuine prior debates open to all actors involved in the issues. Despite many initiatives, there is today no existing forum that moves beyond a dialogue of the deaf and episodic consultation to begin processes of genuine concertation. It is necessary to innovate in these debates by using the possibilities offered by the Internet. The purpose is not the abstract discussion of culture, but rather to clarify issues of cultural

pluralism in the information and globalization era in order to develop realistic proposals that might then be submitted to existing political instances for implementation.

To situate these debates it might be useful to consider one hypothesis. Might not a new, original regime be established outside the WTO to consider the particularities of trade and interaction between cultures? Such a regime would consider measures flowing from five basic ways of reconciling the different logics of markets and identities: carefully managed market opening; multi-functionality; responsibility; the precautionary principle; and reciprocity. To provide for practical responses we might also consider the creation of a mixed Fund. This regime could eventually become a new kind of political jurisdiction, a World Cultural Council, constituted following the quadripartite formula of the Forum and functioning on principles of co-decision and co-regulation by the different responsible actors.

The challenges of cultural pluralism are no less important than those facing European integration. It is a matter of learning to live together not in a uni-multipolar world, but in pluralist arrangements that correspond to the realities of the human ecosystem. We need to find ways to ensure balanced exchanges between societies and cultures that are equal in dignity and able to reflect critically and honestly on their values, practices and adaptation to changing world conditions. To live

together neither building walls nor trade are enough. Cultural security is as important as physical and economic security. We must find ways to respect identities as multiple ways of living with modernity and the human condition.

Localizing Cultures

By: Jeremy Seabrook

Although the word globalization suggests a comprehensive and self-evident process, it is an incomplete term. It does not indicate precisely what is being globalized: the assumption is that it means the emergence of a single worldwide economy, into which all economies must integrate themselves, or more accurately, be integrated in the passive voice. But globalization does not obligingly halt at some ill-defined frontier between economics, society and culture. Indeed, it has its own set of cultural attendants, which exercise a profound influence on the life of peoples everywhere. By definition, globalization makes all other cultures local. But to billions of people all over the world, their culture is not local. It is central to their lives and who they are. Globalization eclipses, or at

least subordinates all previous ways of answering need and of dealing with the vicissitudes of human life. All other ways of life are diminished and marginalized at a stroke.

Globalization is a declaration of war upon all other cultures. And in cultural wars, there is no exemption for civilians; there are no innocent bystanders. Why should it be expected that ancient and rooted civilizations are going to accept this peripheralization without a struggle? The answer to that is that globalization carries an implicit promise that it will relieve poverty and offer security - perhaps the most ancient of human dreams. Because of the power of global capitalism to create wealth, it is assumed that this priority must sweep aside all other human preoccupations, including all existing institutions, interpretations and searches for meaning in the world.

One U.S. academic describes it as a confrontation between global civilization and local cultures. One reason for the sense of incompleteness in the word globalization may be that it is an euphemistic contraction of global civilization; and that it is how it is promoted.

It is disingenuous to assume that economy, society and culture operate in separate spheres. Indeed, the way in which geographical entities are now designated shows the increasing porosity of these notions. An advanced economy, an industrialized nation, a mature economy are set

against a developing country, an emerging market, a liberalizing society. The terms are almost interchangeable. This suggests that, once exposed to the globalizing imperative, no aspect of social life, customary practice, traditional behavior will remain the same.

There have been, broadly, two principal responses in the world, which we may call the fatalistic and the resistant. It is significant that among the most fatalistic have been the leaders of the G-7. Ex-President Clinton said globalization is a fact not a policy choice. Tony Blair said it is inevitable and irreversible. It may be considered paradoxical that the leaders of the most dynamic and expanding economies in the world offer such a passive, unchallenging view of what are, after all, human-made arrangements. These are among the richest and most proactive regimes, which can wage endless war on the great abstraction that is terror, topple regimes and lay down one WTO law for the poor and another for themselves. Is their helplessness in the presence of these mighty economic and cultural powers merely pretence?

There are two aspects to resistance. One is the re-assertion of local identities - even if local actually means spread over very large parts of the world. The reclaiming of the local is often focused in the field of culture - music, song, dance, drama, artifacts and folk culture. This suggests an attempt to quarantine it from the effects of economic integration; a kind of cordon sanitaire set up around a dwindling

culture. Some people believe it is possible to get the best of both worlds - they accept the economic advantages of globalization and seek to maintain something of great value, language, tradition and custom. This is the relatively benign response. The other has become only too familiar: the violent reaction, the hatred of both economic and cultural globalization which many not merely perceive, but feel in the very core of their being, as an inseparable violation of identity. The resentment of many Muslims (not only extremists) toward the U.S. and Israel, the defensive posturing of Hindu fundamentalism, opposed both to Islam and Christianity, are the most vivid dramatizations of this.

The appearance of Christian fundamentalism in the very heartlands of the globalizing forces of the world, suggest that even here, there is a sense that values, beliefs and faith are being sacrificed to global necessity, and there has been an effort even by the most spectacular beneficiaries of economic globalization to salvage what they see as some of their most precious truths. The stigmatizing of the bearers of resistance as extremists or those who hate freedom is too simple a formulation for these complex and painful processes. To be unable to acknowledge the profound and complex social and religious disruptions that come as inseparable spectral companions of economic globalization has been the most grievous failure of the rich and powerful. That this strikes at the roots of human search for meaning ought to have been clear, particularly to those who invest so much in intelligence and security - abstractions which have become as

insubstantial as the terror against which these are supposed to be deployed.

For instance, the almost mystical and transcendent purposes assumed by consumption, the prodigality and waste of resources, particularly in the presence of billions of people who must eat every last grain of rice on their plate, the disgracing of such ancient virtues as frugality, husbanding resources, sustaining water and soil, the reverence for habitats that have given life for millennia - all this is detached from the dry bureaucratic prescriptions and advice offered up by the experts and professionals of development from the sequestered luxury of five-star hotels.

When anger bursts forth, it is greeted with a monstrous show of incomprehension, and alas, wholly bogus humanitarianism, since the leaders of the globalizing world have sacrificed vast numbers of the poor in pursuit of their unrealizable vision of a whole planet colonized in their own image. The West had centuries to absorb these lessons and adapt its spiritual and religious values to those of a capitalism which usurped them, even though these did not go down without a struggle. But when these values are diffused globally, dogmatically, unmediated by time, with what violence they strike against the sensibilities of others. What a gratuitous onslaught it seems, what injurious affronts to rooted identity and custom. This then, is the context in which terror is

to be stamped out. Who declared the cultural war which accompanies the economic re-arrangement of a whole world? Who initiated the terrible, terrorizing, terrifying doctrines that only by the grace of participating in the global market, will every individual in the world and those she loves, survive to see another day?

Globalization: A Critical Framework for Understanding Contemporary Social Processes

Dave Ramsaran

Introduction

The term globalization is increasingly used to describe the ongoing integration of the world within a capitalist political economy. Advocates of globalization point to the emergence of the "middle-class" in developing countries, economic growth within peripheral economies, the continued expansion of global stock markets, democratization and the emergence of a "global culture" as indicators of the benefits of this process. Critics of globalization point to the rising gaps of inequality between nations and within all nations of the global economy, increased environmental degradation, especially in the developing world, the loss of sovereignty, cultural

imperialism and the rise in extreme nationalism as indicators of the downside of this process. This paper will systematically outline a framework for understanding some of the seemingly contradictory processes in our globalizing world.

The Three Dimensions of Globalization

Globalization is a not a new phenomenon. Capitalism has been of a global character since the time Europeans began setting up colonies in the 1400s. Colonial economies were organized to suit the needs of the core countries of the capitalist world system (Best, 1975; Chase-Dunn, 1989; Frank, 1978; Wallerstein, 1974). Although the principles of globalization have been around for the "long durée," there are nonetheless several elements of globalization that are widely accepted as representing the current phase of global capitalist development. The increasing interconnectedness of markets, finances, goods and services, and the growing stature of transnational corporate networks heavily influence the economic, political, and cultural processes of globalization today (Chase-Dunn, 1999). Cvetkovich, et. al. (1997) notes that this influence involves creating a new world market, new transnational political organizations and a new global culture. This process of globalization is not linear, but rather involves a dialectical relationship between its economic, political, and cultural dimensions that often appears contradictory and chaotic.

Economics: The economics of globalization represents the contemporary process of capitalist accumulation. This process is manifest through global commodity chains and a global division of labor, the global mobility of capital, the increasing concentration of industries into a small number of transnational corporations, the development of global regulatory institutions, and a shift in world trade from goods and services to financial instruments. At the center of this process are international elites who have been able to bring the world economy under the domain of multinational corporations without losing the national economic priorities of the leading core states (Arrighi, 1994). Although the relationship between governments in the core states and elements of the international elite (the majority of the latter are citizens of core states) has been mainly harmonious, at times it is prone to tension and overt disagreement.

Globalization can be demonstrated empirically by looking at the increasing percentage of world trade as a percentage of world production (Chase-Dunn, 1999). The Human Development Report (HDR) notes this increase in international trade: "world exports, now $7 trillion, average 21 percent of GDP in the 1990s compared to 17 percent of a much smaller GDP in the 1970s" (UNDP, 2000:25). This growth in international trade is necessarily accompanied by increasing transnational linkages in production, which is further facilitated by

technological improvements undertaken by transnational corporations in core capitalist states.

Globalization has accelerated because of the post-1960s "electronics revolution," which "transformed the quantitative possibilities of transferring cash and money capital into qualitatively new forms of corporate and personal financing, entrepreneurship, and, crucially, the system of credit on which the global culture and ideology of consumerism largely rests" (Sklair, 1999: 150). In 1980 average daily foreign exchange trading totaled $80 billion, "today it is estimated that more than $1,500 billion changes hands daily on the global currency markets" (Ellwood, 2002:72).

Politics: The politics of globalization is represented by the emergence of global governance and the increasing contradictions between and within nation states. The central political tension of globalization rests between increasingly powerful transnational institutions (like the World Trade Organization, United Nations, World Bank, International Monetary Fund, as well as multinational corporations) and sovereign nation-states over the regulatory landscape of global capitalism. Globalization involves a shift in organization from a nation-state level to intra-regional and transcontinental levels of political organization. This means that the relationships between nation-states are increasingly mediated through institutions of global governance. Areas

of national sovereignty are being redefined, in part because global financial markets require global governance to insure reliability and security. Even so, the control over global finance remains firmly embedded within the core financial capitals of Tokyo, London, New York, Frankfurt, and Paris (Mittelman, 1996). Core countries have a disproportionate amount of control over the institutions of global governance and thus are expanding their control over the global capitalist process despite the threats to their own sovereignty. Consequently, this tension affects political processes within nation-states as groups jockey to favorably influence state action within the context of global governance. This process is evident in bioagriculture, for example, where European and African nation-states are attempting to keep out genetically engineered grains produced by American agro-multinationals on the one hand, while the agro-multinationals based in the US are influencing their government's action to take their case to the WTO on the other.

Culture: The culture of globalization is about the increasingly interconnected social world, which both weakens the uniqueness of national ways of living, local cultures and non-capitalist values, but also encourages a convergence of communication and style among diverse people throughout the world. The process of cultural globalization preferred by the international elite is one that incorporates the world community as consumers of goods and services

produced, developed, and distributed by transnational corporations – that is, consumerism of the Western model is the dominant process of cultural globalization. Since the late 1970's, multinational corporations have been targeting distinct social groupings via ethnicity, gender, class, race, and sexual orientation (Turow, 1997) in order to satisfy consumer needs and wants through the production, promotion, and delivery of goods and services (Oropesa, 1995). This strategy of constantly dividing and sub-dividing the world is enhanced by "split-second" technology, that not only allows for the accumulation of detailed patterns of purchases by consumers, but also provides for the transmission of that knowledge in compact forms (like CD-ROMs) to any marketer with the money and the desire to buy such information. In this sense, global corporations have embraced multiculturalism in so far as it provides a vehicle to reduce active citizenship to patterns of consumption. That is, cultural differences are used to equate happiness and the realization of dreams to that of purchasing commodities. At the core of this ideology of consumerism is individualism; however, the internalization of this force for cultural homogenization is experienced in culturally specific ways. Although powerful, the cultural process of globalization can be interpreted using local cultural lenses and thus provide opportunities for resistance.

The Framework

In our view, the processes of globalization discussed above are manifest through the interrelationships of three sectors of the global political economy: the suprastatal, statal, and intrastatal spheres. In order to enhance the transformative potential embedded in the processes of globalization, it is necessary to expose the latent tendencies of globalization, which reflect the hierarchies of power within the global political economy (Cox, 1996). Consequently, we propose to identify the central features of this process and thus inform empirical analyses of the effects of globalization on societies as a whole and on groups within societies. This framework follows Sklair's (1995) "global capitalism model" for understanding globalization, which is based on the concept of transnational practices that occur across economic, political, and cultural/ideological spheres.

A Critical Framework for Globalization

The suprastatal sector encompasses global institutional forces such as the International Monetary Fund, the World Bank, the World Trade Organization, and the United Nations. These institutions are directly or indirectly controlled by, and represent the interests of, an international elite who promote liberalization, comparative advantage and market-oriented economics. The majority of the international elites and the

institutions of global governance promote an ideology of neoliberalism and increased consumerism and individualism.

The statal sector encompasses the power and role of governments to negotiate treaties and to coordinate political and economic activity between nations. The states within the global system are not equally represented; rather, they hold different positions among a hierarchy of nations. Since a fundamental role of the state is to legitimize particular social relations, this sector manifests the competing interests of national elites for privileged positions within the local and global class structure. Within this sector citizenship defines the rights of individuals and the leaders within the nation state.

The intrastatal sector encompasses the varied struggles between different groups and institutions within nations over state activities and the distribution of economic resources. It manifests itself through unequal relationships between race, class and gender groups. This sector also represents the primary sphere where non-governmental organizations (NGOs) and grassroots social movements are acting as counter-hegemonic forces by constructing an alternative vision of globalization. Equal opportunity, meritocracy and social justice are values around which these struggles are organized. The struggles within the intrastatal sphere can have a fundamental impact on the statal and suprastatal spheres of globalization.

Our critical framework exposes the process of globalization as a dialectical relationship between and within the suprastatal, statal, and intrastatal sectors of the global political economy. These sectors represent the hegemonic structure through which struggles of globalization occur. In other words, globalization is not an immutable feature of capitalism; rather, different social groups are contesting the ways in which the global political economy should be organized. These struggles cut across economic, political, cultural, and ideological spheres.

The Suprastatal Sector

The economics of globalization is evident in global markets for labor and production. The global marketplace is indicated by the expansion of international trade, which is controlled by large multinational corporations and fueled by global financial transactions. International trade in commercial services, which includes such areas as transportation, financial services, communication, construction and information professional services grew by 8 percent annually between 1980 and 1993, while trade in goods increased by only 5 percent (Bhalla, 1998: 2). Yet a growing and significant portion of international trade consists of intra-firm trade: a 1992 World Bank

study acknowledged that 40 percent of global trade consists of trade within the 350 largest transnational corporations. In addition, more than one-third of all US trade is between foreign affiliates and their US-based parent companies (Chomsky, 1993). Similarly approximately one quarter of Japan's imports is from intra-industry transactions (OECD, 2002). Put simply, the growth of international trade has developed suis generis as multinational corporations expand their operations worldwide.

The global manufacturing system implies that the production of goods operate across several countries, with each nation performing tasks in which it has a cost advantage (Gereffi, 1996; Hopkins and Wallerstein, 1986). These commodity chain networks allow for subcontracting to low income countries with limited labor codes, and thus contribute to the fragmentation of production of particular products across international borders. (Nike and Reebok are prime examples).

An additional economic feature of globalization is the increase in Direct Foreign Investment (DFI) and Direct Portfolio Investment (DPI), which represents private capital investments that do not flow through the IMF or World Bank. Although there has been a 236 percent increase in DFI from US $25b to US $84b between 1990 and 1994, forty-seven (47) of the least developed countries received less than 1 percent of all DFI. Moreover, investment in Third World

countries are overwhelmingly directed towards the Pacific Rim: East, South and Southeast Asia accounted for 70 percent of the DFI flows to the Third World, a threefold increase in their share of total Direct Foreign Investment since the 1980s (Levitts, 1996). These international investments by both institutional and individual actors has reinforced the dependency of Third World countries on foreign capital, which is manifest in export-oriented economies that serve external markets, and undermine the ability of people to meet their basic human needs (Khor, 1996). DFI tends to have some short-term stability; in contrast, DPI, which is where foreigners are allowed to buy shares on the local stock market, makes local financial markets very unstable. DPI accounted for about 1/3 all foreign investments in countries between 1990 and 1997 (Elwood, 2001). The Asian financial crisis that began in Thailand in 1996 is indicative of the negative impact on countries that can result from this emergent power of global finance capital to make seamless transfers throughout the global political economy.

The driving force behind this expansion of global manufacturing and international trade is the international elite. The leaders and operatives of Fortune 500 companies represent the international elite, whose primary goal is to realize maximum profit. In 1998, the three wealthiest members of the international elite held total assets of US $110 billion, which is more than the combined gross domestic product of all Leased Developed Countries. In addition, the assets of the 200

richest persons in 1998 were more than the total income of 41 percent of the world's people, and the combined assets of the wealthiest 400 individuals increased 36 percent from the previous year to US $1.04 trillion (UNDP, 2000). This tremendous increase in wealth among the international elite is facilitated by the removal of all barriers to the flow of capital. The lack of market regulation for global capital flows illustrates the triumph of financial capital over all other forms of capital, and is a hallmark of economic globalization.

International political institutions, like the World Bank, International Monetary Fund, and most recently, the World Trade Organization are intended to institutionalize the freedom of capital from the regulatory framework of independent nations. The former of these suprastatal institutions were established through the Bretton-Woods Agreement. The IMF provides short-term loans to countries that have temporary shortfalls in exports, and the WB lends capital for long-term development projects. For example, the IMF provides "structural-adjustment" packages that are primarily aimed at taking the nation-state out of the development process and allowing economic actors to allocate resources. Similarly, the WB is clear about its intent to reorient developing economies to ensure there is an enabling environment for private capital to operate. These policies require Third World countries to shift scarce resources away from the basic human needs of their citizens, and towards the neoliberal model of "free-

trade". Consequently, both investment and trade rules complicate the ability of states to monitor and control both events and non-state actors that affect working people (Stubbs and Underhill, 1994).

In 1996, the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) implemented the World Trade Organization, and several regional trading blocs were developed in North America, Europe and Asia. These global institutions enforce regulatory frameworks that allow transnational corporations access to national resources and further the monopolization of new technologies, global investment and production (Chomsky, 1993). The pursuant cross-border flows of information and the global integration of financial markets undermine the policy autonomy of states outside the core of the global political economy (Bhalla, 1998). The net effect of these developments is that the structural power of capital is strengthened relative to the power of labor and to representative democracy. The World Trade Organization is designed to safeguard the accumulation of capital, and to regulate the flow of goods and services, intellectual property rights, food safety, animal and plant health, financial services, food, agriculture policy, investment, technology and telecommunications across all signatory nations. The outcome of these policies perpetuates the interest of the international elite and reinforces class domination within the global capitalist economy.

The cutting-edge of the globalization process is at the intersection of the international financial elite and the suprastatal institutions that promote their interests. This convergence gains meaning through the ideology of neoliberalism, which is a doctrine that promotes the correctness of de-regulation, "free-market" strategies, flexible labor markets, individualism, and the dismantling of social welfare. It demands that people have an individualist orientation rather than a collective one. This model of globalization is alarming, because it seeks legitimization for the transnational movement of capital, investments, and wealth as the necessary path to global integration, while ignoring the consequences of such unfettered capital flows to the established social rights of the world's citizens. The ideology of consumerism serves two purposes in terms of globalization. On the one hand, in core capitalist countries the media promotes consumerism to create dissatisfaction among select status groups through "niche marketing", thus stimulating demand for newer goods. On the other hand, the promotion of consumerism in emerging markets is intended to convert the most remote parts of the globe into part of the transnational middle class.

This ideology of consumerism is promoted through a global communication network that provides both content and conduit for international flows of information, news and entertainment. This mass media is primarily controlled through multinational corporations based

within the core capitalist economies (Sklair, 1999). These corporations seek to "fully control messages and images, from the conceptual stage to their ultimate delivery to user and audiences" (Schiller, 1996: 95). Since the culture of consumerism emerged out of the experiences of Western capitalist societies, it reflects the views, values and priorities of the organizations that control it (Norberg-Hodge, 1999; Thomas, 1989). Within the context of neoliberalism, consumerism promotes the impression that capitalism and Western values result uniformly in glamour and wealth. The promotion of consumerism is intended to increase demand for services and goods that are produced by the international elite, such as fashion, music, and film. In general, consumerism glorifies the lifestyle of the "middle-class," which is fundamental for the reproduction of global capitalism as it is currently structured. Consequently, the values of consumerism imply that "conspicuous consumption" is more important than using local products to satisfy human needs (Norberg-Hodge, 1999).

The changing dynamics of global capitalism since the 1970s illustrate that the most powerful actors of the suprastatal sector are multinational corporations. These firms reflect the interests of the international elite, and the global institutions of the suprastatal sector are intended to legitimatize these interests. The dominant value of globalization, which is consumerism, is propagated through the global media culture, itself a product of several multinational corporations. Accordingly, the

interests of media and cultural product corporations converge with the general multinational corporate objectives and policies (Schiller, 1996). Yet the dynamics of the suprastatal sector presuppose the global world-system of nation-states.

The Statal Sector

The emergence of the suprastatal sphere presupposes a willing nation-state. The global world system is organized around a hierarchy of nations described as core, peripheral, and semi-peripheral. The conflicts between nation-states can be understood as representing the intra-class struggle of national elites because national elites are in dominant political and economic positions within their respective countries. The cultural framework of the statal sector is that of civil society, which reflects the ideology of state sovereignty and of citizenship. The nation-state during this phase of globalization has actively privileged the global and domestic rights of capital through regional and global treaties, and via domestic legislation (Panitch, 1996). Although the suprastatal sector requires coordination between core nation-states and other states within the global capitalist economy, all state-level actors do not have the same influence. For example, within the United Nations, which is the suprastatal institution for inter-statal politics, the most powerful economic states enjoy a de jure veto

over the democratic decisions made by the United Nations by virtue of lifetime seats on the Security Council. This inequality of power between nation-states is also reflected in growing economic inequality between and within nations. The GNP ratio between the countries with the richest 20 percent of the world's population and with the poorest 20 percent was 60:1 in 1989, while the ratio of the incomes of the richest 20 percent of people to the poorest 20 percent was 140:1 (Chomsky, 1993b). According to Ellwood (2002: 100) in 1960 the richest fifth of the world's population received 70.2 percents of global income; by 1997 that figure had increased to 90 percent of global income, whereas for the same period the amount of global income going to the poorest 20 percent of the world's population went from 2.3 percent to 1 percent.

Although all members of the international elite are also members of national elites within their countries, not all national elites benefit from the neoliberal agenda of the transnational ruling class because national elites have their bases of power in many different areas. The power of many traditional elites in developing nations is based on the control of agricultural production and land ownership. The power of other national elites is trade-based because they control the import and export trade within their respective economic sectors. A third form of power for national elites stems from control over manufacturing and services. In many instances protected markets ensure profits by local

elites. The main goal of national elites is to retain their position of power and privilege within their respective societies. Consequently, the benefits of globalization as defined by multinational corporations and the international ruling class are not necessarily consistent with the interests of national elites. For example, the reduction of trade barriers and the free flow of goods and services advocated by suprastatal institutions can threaten the power of national elites in developing countries who have enriched themselves by controlling access to both natural resources and inexpensive labor. Indeed, the struggle to weaken peripheral states that control these resources is a fundamental reality of statal dynamics (Bunker, 1994).

The fragmentation of interests among various national elites indicates a second dynamic of inequality between nation-states within the global world system. The extent to which national elites can implement policies consistent with neoliberalism and "structural adjustment" influences their position within the global capitalist economy, because the most powerful multinational economic actors are based within the most powerful core political actors. National elites, especially from non-core nations, who have challenged the neoliberal approach to globalization, have been threatened with global capital investment strikes and with the loss of international aid. Indeed, global capital is not dependent on the business climate in one country and can move

large amounts of money quickly between competing investment locations (Gill and Law, 1988).

The new pressures of globalization that stem from the suprastatal sector undermine the ability of national elites to choose such policies as economic nationalism. According to Mittelman (1996), the power of global production and international finance, especially debt structures, constrains the options of national elites to choose different forms of capitalist development. Indeed, the possibility of suprastatal intervention in domestic policy decisions is especially likely when those decisions undermine transborder flows of capital, information, technologies, and consumer goods. The World Trade Organization has been used to challenge laws, policies and programs of nation-states that are deemed to restrict "free-trade. Un-elected bureaucrats have unprecedented authority to penalize nation-states that choose to ignore its rulings.

The relative power of nation-states represents a fundamental contradiction for globalization at the statal level. On the one hand, some national elites are critical for the survival of suprastatal institutions like the WTO, because multinational corporations seek legitimacy from all corners of the globe for the consumer-driven process of global capitalism. The ability to construct rules of trade and investment that favor global capital and the international elite requires

national elites from less powerful countries to implement domestic policies favorable to these processes. On the other hand, the WTO can be seen by national elites in some countries as representing the interests of elites within the core of the capitalist political economy. For example, the controversy over the so-called "Green Room Papers" at the November 1999 WTO meetings in the United States illustrates the class struggle between elite representatives of different nations. The position papers generated from these private meetings in Seattle, that primarily included representatives from core capitalist countries, were intended for approval by the full WTO membership; however, national elites from developing countries in Africa, Latin America, and the Caribbean denounced these meetings as privileging "the biggest companies in the major economies" (Khor, 1999).

The relationships between nation-states are not only dictated by their relative access to economic resources, but are also dependent on military power. Despite the end of the Cold War, military might remains a pivotal element in the power relationships between nation-states. The most technically advanced and well-trained militaries are in the core countries. These militaries are often used to ensure that the strategic and economic interests of core nation-states (read national elites), and of multinational economic actors, are protected. Despite the demise of the former Soviet Union, whose presumed belief in communism facilitated the ideological justification for military

spending during the Cold War, core countries continue to spend significant sums of money on their military developing new weapons systems. Within the United States, the FY 2004 military budget is projected to exceed $399b US, which represents 51 percent of all discretionary domestic spending and more than 45 percent of global military expenditures (Center for Defense Information 2003). This military capability of core countries can be used to protect the interest of the international elite. During the 1991 Persian Gulf War, for example, the coalition of nations that fought under the guise of liberating Kuwait and restoring democracy was also aimed at protecting oil supplies that are critical to the interest of elites in core countries. The threat of force is not the only factor that enhances the power position of core states; the threat of withdrawing military protection for peripheral and semi-peripheral nations also coerces weaker nation-states to comply with the demands of the dominant global political and economic actors.

The cultural struggle within the statal level of globalization is informed by the ideology of civil society. This ideology underscores the legitimacy of regional and global treaties, because state power is predicated on the sovereignty of nation-states to engage in international policies that protect national interests. Indeed, the implementation of global trade regulations presupposes the democratic nature of nation-state political representatives. In other words, the

sovereign rights of the nation-state are bound up in the ideology of citizenship, which defines the duties and rights of individuals within society, including the duties of political leaders (Urry, 1999). Yet the processes of globalization at the statal level are squeezing the nation-state between the accountability to market forces represented by suprastatal institutions, and the accountability to "the governed" represented by domestic political parties and interest groups. This contradiction is intense, because national elites need the state to facilitate entry into the international ruling class, but are constrained by widespread attachment to the ideology of democracy and state sovereignty. This tension suggests that the power of the nation-state, which is based on a territorial embodiment, is undermined by the requirements of globalization that seek legitimacy for territorially unbounded institutions (Kirby, 1993).

Development policies since the Second World War have an impact on the position of respective national elites. Overproduction following the reconstruction of Europe and Japan saw new low cost producers entering the world market (Brenner, 1998) resulting in the demand for more international trade. As more countries modeled after the Asian Tigers, competition between national elites for part of the global market increased. The US policy of deficit spending in the 1970s and 1980s and the coordinated monetary policy of the US and Britain in the form of tax cuts, privatization, and deregulation also affected the

position of national elites. Indeed core states continue to push for deregulation to the benefit of their large corporations and national elites.

This process has resulted in the alteration of the scope of national sovereignty. The changing role of the nation-state has been referred to as the "declining significance" of the state. However, the pressures of globalization do not equally undermine all nation-states. Generally, core states are closely embedded to the dominant process of finance capital and multinational corporations and thus have greater control over the determination of national policies than states in the periphery. Although statal dynamics of globalization are contested, the dominant trend within nation-states suggests that the presumed connection between the rights of democratic participation (i.e., civil society) and expanded social rights is no longer, if it ever was, guaranteed. Within the core capitalist states, global civil society is being defined as requiring the priority of the market over all other human institutions (Markhoff, 1999). That is, the sovereignty of nation-states within the global political economy presupposes the embrace of global competitiveness in order to enhance corporate profits, which, it is argued, will alleviate the poverty and inequality that results from nation-state regulation of market activity. The intrastatal manifestation of these suprastatal and statal dynamics is dependent upon the unique organization of groups within nations, on how national civil society is

organized, and on the unique cultural and ideological positions of the respective societies.

The Intrastatal Sector

The doctrine of neoliberal economics is based on the premise of letting market forces determine the allocation of resources. The role of the state in this process is to be a facilitator in the removal of trade barriers, the increase of capital flows and the development of information networking. Although competitive markets may be the best guarantee of efficiency, they are not producers of equity. The convergence of political, economic, and cultural forces of globalization has resulted in more inequality between nation-states and within nation states. According to United Nations Development Project (UNDP) " the income gap between the fifth of the world's people living in the richest countries and the fifth in the poorest was 74 to 1 in 1997, up from 60 to 1 in 1990, and 30 to 1 in 1960" (2000: 3). UNDP (2000) continues to note that the one-fifth of the world's population that live in core countries control 86 percent of world GDP, 82 percent of world export markets, and 68 percent of direct foreign investment. In terms of nation-states, OECD countries who make up 19 percent of the world population control 71 percent of the trade in goods and services and 58

percent of direct foreign investment, while 84 percent of expenditures in research and development are made by only ten countries.

The economics of globalization is manifest at the intrastatal level through the dynamics of race, class and gender inequality. The uneven development within nation-states have resulted in new high-paying jobs in the so-called "boom sectors," while the vast majority of job growth is in the lowly paid service sector and exploitative manufacturing sector. For example, 85 percent of the new jobs in Latin America are in the informal sector (UNDP, 2000); the US Census Bureau reports that the total number of positions in the high-technology sector of the US labor market will be fewer than those of janitors, nursing aides, or restaurant servers (Hodson and Sullivan, 1995). This bifurcation of the labor market is widening class divisions, which are especially large in countries where there is an explosion of export-oriented sectors, such as Russia, Chile, and Brazil. For example, the Gini coefficient index, which is a measure of the distribution of income within countries ranged from 48.7 in Russia to 56.5 in Chile, and 60.0 in Brazil (100 is the most unequal and 0 is the most equal).

According to the IMF, the transition to market-based capitalism in the former "communist" countries has also increased "Gini" inequality within nations from 3 to 27 index points between 1987-88 and 1998-99 (Kolodko, 1999). Increases in class inequality have also been recorded

in core countries like the United Kingdom and the United States since the 1980s (UNDP 2000). For example, the Economic Policy Institute reports that the average median income adjusted for inflation in 1997 was 3.1 percent less than it was in 1989 in the United States. In this same year, the World Development Indicators show that the highest quintile of households in the US controlled 46 percent of income, while the bottom three quintiles combined controlled only 31 percent of total income. In Britain, the top 20 percent of households in 1991 controlled 43% of total income compared with the 34% controlled by the bottom 60 percent of households.

The mobility of financial capital and the speed with which it can enter and leave a particular country contributes to this increasing class inequality. The turmoil in the financial markets of East Asia was the consequence of a reversal in capital flows, which led to an increase in bankruptcies, unemployment, job and income insecurity, as well as to the reduction of state spending on social services such as education and health (Elwood, 2001). The 1994 global bond crisis, for example, cost the central bank of Malaysia US $4 billion (Greider, 1997). Such economic turmoil means that improvements in human development issues, like education, literacy, and life expectancy, are slower than economic gains that accrue to the elites within these nations and to multinational corporations and their international elite investors.

Further exacerbating intrastate inequality is the frequency of national elites introducing "flexible labor policies" in order to attract direct foreign investment. Flexible labor laws weaken worker protections, worsen the conditions of work, and reduce job security. Many governments in Latin America have either changed their labor laws or have turned a blind eye to existing labor laws, according the UNDP (2000). These flexible contracts with multinational corporations have increased the proportion of informal sector employment to formal sector employment from 52 percent to 58 percent. According to the European Children's Trust, reductions in government spending on social programs encouraged by IMF loans to Eastern European countries increased poverty tenfold over the last decade, and resulted in at least 50 million children being exposed to levels of tuberculosis usually associated with Third World countries. In other words, the "structural adjustment" policies of the suprastatal political institutions, the patterns of direct foreign investment by suprastatal economic actors, and the policies of governments within the statal sector, operate together to sustain economic growth without concern for the inequitable impact of those policies on the world's people.

The economics of globalization also has a differential impact on men and women within nation states. Historically, women have been burdened not only with various forms of household labor, but also with the reproduction of children for the nation-state (Yuvall-Davis, 1993).

The acceleration of direct foreign investment and of international financial capital flows has exacerbated the sexual division of labor within the global capitalist system. Multinational corporations actively recruit women into the labor process by establishing production plants in developing countries as part of their global commodity chains, but women were already over-represented in the agricultural sectors and other low-paying sectors of these labor markets. In 1980, about 73 percent of women workers in Africa and the Middle East, and 70 percent of women workers in Asia, were located in the agricultural sector (Beneria, 1989). Women workers are also prominent in service sectors such as garment trades and private domestic services, which are uniformly defined by their "sweatshop" conditions (Mitter, 1986). Over 70 percent of the workers in the maquiladora export-processing zone along the US-Mexico border are women, because of the widely held belief that women "are more responsible than men," are "gentle and obedient," and will provide fewer problems for the corporate managers (Fernandez-Kelly, 1994). Put simply, the gendered distribution of income, power, education, and healthcare within nation-states are reproduced within the global division of labor.

The incorporation of women into the labor force has exacerbated gender inequality because women already provide the bulk of "caring labor" in most countries, especially in the developing societies. Caring labor involves providing for children and the elderly, and in

reproducing future generations. This "double" burden for women is reinforced by neoliberal economic policies that demand fewer resources for health care services. Developing countries are particularly hard hit in this area, because they have to deal with structural adjustment programs and the dismantling of state services. According to the UNDP, "global economic competition has put pressure on the wages for caring labor, as the wage gap increases between tradable and non tradable sectors, and between the skilled and unskilled" (2000:7). Among the "least developed countries," the gender-related development index of the 1999 HDR is significantly lower (.415) than the world index (.700) and the industrialized countries index (.915). Importantly, insufficient care for children increases the probability that they will not realize their full potential. This problem is also present in the core nations, like the United States, where 1 in 5 children live in poverty.

Race and ethnic inequality are powerful elements of the social stratification system within societies. In the core "colonial" societies, Whites and people of European descent have greater access to wealth and formal education, which establishes the foundation of a racialized dimension of inequality within the globalization process. Within the suprastatal economic and political sectors, the CEOs of the Fortune 500 multinational corporations are European-White, the majority of political elites are also European-White, and the economic benefits of

globalization appear to disproportionately accrue to one racial group. For example, in the United States in 1998, about 26.1 percent of African Americans, 25.6 percent of Latinos, and 12.5 percent of Asians and Pacific Islanders lived in poverty. Further it has been shown that the poverty gap between Whites and minorities has moved very little since 1975 (Maconis, 2000). This racial impact of unequal access to financial resources can have potentially explosive social consequences.

Within the former colonized societies this dynamic of racial inequality takes on a nationalist appearance, because European Whites are not in the numerical majority in these countries. Historically, European colonizers refused to integrate with indigenous populations, and justified their presumed superiority through nationalist ideologies and cultural racism. That is, the dominant settler groups defined their culture as the culture, and did not recognize or respect the social and cultural contributions of indigenous populations (Bowser, 1995). Since the European colonizers controlled both economic and political power, the cultural discourse in these settler societies used race and ethnicity as tools of subordination and exploitation, which reinforced the economic and political privileges of European-Whites (Stasiulis and Yuval-Davis, 1995). In Brazil and South Africa, for example, research continues to illustrate how ruling elites use racial differences to obscure their class interests by creating competition and conflict

between racial and ethnic groups (Guimares, 1995; Nkomo, Twala, and Carrim,1995).

After World War II, the independence of former colonized nations resulted in the transfer of political power to local peoples, but economic power remained concentrated in the hands of Europeans. In the Caribbean, for example, political elites do not control the resources necessary to plan and execute long-term economic development. As a result, they have channeled investments from the international elite within core nations to enclave sector development, which has exacerbated poverty in rural areas, and increased emigration to core nations like the United States and Britain for low-end service jobs. Through inheritance, the children of Europeans have inherited the wealth of their forefathers and continue to comprise the most influential class of elites in the developing world.

An important dimension of race, class, and gender stratification within globalization is the distribution of skills, which are signified by education credentials. The preferred labor market positions within the global political economy require distinct analytic, computer, and communication skills, and education represents the institutional gatekeeper to these skills. Yet race and ethnic, gender, and class inequalities also impact access to education. In terms of primary and secondary education throughout the world, women have less access

than men to these basic institutions. For example in Trinidad and Tobago, women on the whole have a smaller probability of attending a school in the upper tier of the education system and for rural Indo-Trinidadian women the probability is even less (Ramsaran, 2001). Within the United States, educational opportunities continue to privilege upper class students, who are more likely to attend college, enter graduate and professional programs, and receive elite educational credentials (Price, 2003; Davies and Guppy, 1997; Hearn,1990; Bowles and Gintis, 1976). Consequently, the individual beneficiaries of the process of globalization primarily reflect the hierarchies of race, class, and gender that already exist both within particular societies, and between nation-states.

The political processes at the intrastatal level reflect the cleavages of race, gender, and class inequalities. The challenges to these inequalities that are reinforced through globalization occur primarily in the political arena within nation-states. While national elites use racism and sexism to reinforce their political and economic domination, the new social movements and non-governmental organizations that challenge this domination also reflect these inequalities. Importantly, this contestation takes place within culturally specific situations. Groups within the nation-state use their own history and experiences to interpret the cultural messages of globalization. In other words, the struggle for and against globalization within the intrastatal level can be

understood through the universal categories of class, race, and gender, but the particular manifestations of this struggle take on culturally specific forms within respective nation states.

The politics of globalization in the first instance takes place between competing groups of national elites who do and do not benefit from the globalization process. This statal level process informs the intrastatal struggles over globalization. In many developing countries, some members of the economic elite derive their position of power from their control of the distribution of goods and services within their society. Other elites occupy oligopoly positions within their society, which they have attained by using the state to set up tariffs and other barriers to foreign investments. For this group of national elites, the "free trade" mantra of globalization threatens their privileged position. This group of national elites often align themselves with national labor organizations to argue for nationalist policies that protect local jobs, which is also in their economic interests. On the other hand, some elements of the national elite may benefit from the process of globalization, and advocate for liberalization policies that would weaken their elite competitors and thus strengthen their positions within the national political economic structure. These elites tend to own land and infrastructure that is desirable to foreign investment (e.g., export zones for manufacturing facilities), or they control the

financial institutions within the national economy that could benefit from an influx of foreign capital.

Conflict between neoliberal and nationalist elites involve both "identity politics" and nationalist ideologies. Within racial and ethnic homogenous societies, the struggle over globalization becomes an issue of national sovereignty stressing the idea of a "common interest" among all citizens. In this scenario, ethnic and national identities converge into a potentially reactionary social movement that may benefit some workers and nationalist elites in the short-term, but undermines the possibility of a global alliance between non-elites of several nations. Within racial and ethnic heterogeneous societies, the struggle over globalization becomes a fragmented series of seemingly disassociated identity-groups stressing their particular form of oppression. Thus, ethnic and interest group identities flourish due to the process of globalization, but their particular struggles against their own exploitation becomes what Castells (1997) calls an "identity of retrenchment." In other words, interest groups, whether organized along gender, class, ethnic, or single-issue politics tend to focus on their particular struggle, which may result in a temporary ease of oppressive conditions, but also weakens the possibility of a global social movement against the dominant economic and political actors that benefit from an unorganized majority of people across and within nations.

The politics at the intrastatal level, however, need not follow the contours outlined above, which reflect the interests of the international elite. On the contrary, trade unions, employee associations, non-governmental organizations (NGOs) and grassroots organizations, as well as emergent political parties, represent political actors within the nation state that hold the possibility of a counter-hegemonic block. This potential of a global social movement requires that locally based community, labor, and political organizations see the contemporary manifestation of globalization as the ultimate cause of their particular oppression. Seidman (1993) provides examples from Brazil, South Korea, and South Africa during the 1970s and 1980s where workers organized militantly to not only improve the conditions of skilled workers, but also to challenge state control over workers' communities beyond the factory gates. For national labor-based and other new social movements to be successful in the twenty-first century, these organizations must be able to communicate with other counter-hegemonic organizations that emerge throughout the global capitalist economy. The organization and limited success of labor, grassroots and other civic organizations from around the world in their opposition to the annual WTO meetings gives a glimpse into the potential of modern communication and counter hegemonic action.

The cultural and ideological dimension at the intrastatal sector can be understood as the interplay between the human rights narrative of social justice, which reflects the counter-hegemonic social movements, and the equal opportunity narrative of meritocracy that benefits national elites but also reflects a key struggle of globalization: namely, the tensions between nationalist and internationalist elite interests. The struggles of globalization are increasingly the result of "fragmentation and indigenousness." That is, the conflicts within nation-states are about particular rights and of the rights of particular people, are between individual vs. collective rights, and have both national and ethnic components (Friedman, 1999). These struggles seek to transform differences into claims on the public sphere, for recognition, for funds, or for land. When indigenous struggles self-define the relationship between local and global, the possibility of a counter-hegemonic social movement emerges. For example, the ongoing Zapatista uprising in Chiapas, Mexico represents an organized struggle against state policy that is informed by a global perspective on the causes of the particular forms of oppression experienced by this indigenous population. The ability of the Zapatista movement to withstand the military power of the state is in part due to their use of new communication technologies that facilitates the transformation of isolated counter-hegemonic struggles into globally interconnected movements for an alternative vision of globalization.

The ideological outlooks of these types of counter-hegemonic struggles require a critique of the dominant processes of globalization. Throughout the world, claims for "unhindered representation, recognition without marginalization, and acceptance and integration without distortion," represent a different vision of a global citizen: that of membership in an inclusive cultural democracy (Pakulski, 1997: 80). These social movements are creating an alternative cultural narrative for social justice. For example, the Organization of African Unity advocates "popular participation, empowerment of the people, accountability, social and economic justice, respect for human rights, and peoples' self-determination" (Sunmonu, 1993: 192). The People's Plan 21 advocates for a declaration of a new human right: "the right of people to intervene in, to modify, to regulate, and ultimately to control any decisions that affect them" (Ichiyo, 1993: 156). These narratives connect abstract ideas of human rights and social justice with concrete practices. In other words, a counter-hegemonic narrative defines global citizenship as one of participatory democracy where different social sectors organize themselves to articulate different interests, but acknowledge the right to be different and the idea that difference shall no longer constitute the basis for inequality (Dagnino, 1993). Such visions, however, are constrained by the economic and political realities of intrastatal dynamics.

Intrastatal social movements can take on a nationalist character when the interests of the ruling elites converge with those of trade unions, NGOs and other grass roots and community bases organizations. When the processes of globalization are negatively affecting the livelihood of the people and also are weakening the power of the national elites in the world economy, then the nation may unite in its struggle against the negative effects of globalization. The power of the state is thus strengthened to resist the dictates of global governance, because internal struggles between social groups appear low. The ruling elite can use this to rally the people within its domain to challenge the processes of globalization. For example, after the WTO ruling that removed protection for Eastern Caribbean bananas into the EU market, the St Lucian government took steps to have its case heard against the US in the World Court. This hearing may have focused on unfair trading practices that favored the multinational corporations in the United States, but it did not address the exploitative and repressive conditions of the banana workers in the Caribbean. That is, the discourse of this struggle was for "equal opportunity" of Caribbean producers to compete with other producers in the global economy (Ramsaran 2003).

Intrastatal social movements can also become more intense when national elites seek to implement neoliberal policies in order to strengthen their position with the international elite. The

implementation of flexible labor practices, the introduction of free trade, and capital mobility become contested areas in the political sphere. In this scenario, the discourse of intrastatal struggles juxtaposes the "equal opportunity" promise of integration within the global political economy with the "equal opportunity" claim for emphasizing production for the domestic market. The latter claim represents a threat to national elites insofar as trade unions, NGOS, and indigenous organizations are well organized with a strategy for gaining control over state institutions. The consequence of the former claim is often increased state repression, because the export economies favored by the national elites require continually increasing controls over the labor force and the reduction of labor costs (Vilas, 1989). For example, until 2000, the elites in Mexico that controlled the state through the Institutional Revolutionary Party (PRI) reduced public expenditures, eliminated subsidies, restricted credit, privatized most state industries, liberalized trade, devalued the peso, and introduced "competitive" wages (Heredia and Purcell 1996). The authors quote a study by researchers at the Faculty of Economics of the National Autonomous University of Mexico (UNAM) that compares a 136 percent increase in the minimum wage between December 1987 and May 1994 with a 371 percent increase in the cost of the Basic Basket of Goods.

The dominant strain of intrastatal struggles are articulated through the competing narratives of nationalist and internationalist variations of

equal opportunity and meritocracy. These struggles are most likely because of the statal and suprastatal dynamics of the global political economy that provide differential institutional power to national elites. The elites who benefit from increasing their statal presence in the global economy face more volatile struggles within the intrastatal sphere; however, they are able to suppress these struggles with limited interference from other state and global actors. The elites who are not benefiting from the processes of globalization are able to invoke nationalist/cultural values to unify intrastatal struggles against the state and global actors that are blamed for the current conditions of the nation. In both cases, intrastatal struggles either focus on national elites or on global actors as the cause of the social inequalities of race, class, and gender. A third possibility of intrastatal struggle is to recognize the interconnected interests of national and international elites, of statal and suprastatal institutions, and of global and local causes of social inequality. This recognition holds the promise of a counter-hegemonic narrative of social justice, which posits a different trajectory of globalization from that being driven by national and international elites through statal and suprastatal institutions.

Conclusion: The Dialectics of Globalization

The processes of globalization can be seen within and across economic, political and cultural dimensions, and between and within state and global institutions. An emergent international elite drives these processes, but is constrained by conflicts with national elites, and by struggles with non-elite actors throughout the global political economy. Consequently, globalization is not an inevitable process; rather, it is negotiated and contested. As with all social conflict, however, these struggles are not between equals. The power of state and global institutions to set the parameters of the negotiations for and against globalization tends to favor the interests of an emergent international elite that is primarily located in OECD countries of the G-7. The struggles against these global processes are often led by national elites whose domestic positions of power are threatened by global capitalism, but can also be influenced by grassroots organizations that seek a new vision for social justice. This alternative vision for globalization requires counter-hegemonic struggles to connect across national boundaries in order to transcend the struggles of globalization between competing factions of national elites.

Our view of globalization is intended as a critical framework for analyzing and understanding the contradictory processes of the global political economy. The economic, political and cultural (or ideological) dynamics of globalization reflect a dialectical relationship between and

within suprastatal, statal, and intrastatal sectors. The suprastatal sector is the emergent "superstructure" of the global capitalist system, and is manifest by the power of capital over the nation-state and by the increasing power of global regulatory institutions like the World Trade Organization. This sector is contested among members of the international elite who are struggling for hegemony. The statal sector represents the current hegemonic order, which reflects a hierarchy of nation-states and thus a hierarchy of national elites. The suprastatal institutions need the nation-state to confer legitimacy, but not all national elites benefit from the suprastatal framework of globalization. Consequently, national elites from weaker nation-states are using state power to shore up domestic support for their regime, but also to negotiate more favorable positions within the international elite.

The intrastatal sector is the most volatile location for the struggle over globalization. National inequalities that are based on race, gender, and class characteristics are increasingly the focal points of struggles for state power; however, these struggles are not necessarily counter-hegemonic. On the contrary, statal and suprastatal processes of globalization often shape the social movements of the intrastatal sector. That is, the demands for equality by subaltern groups within nations can be appropriated by divisions within national elites who either benefit or suffer from the emergence of the suprastatal sector. The counter-hegemonic potential of intrastatal struggles requires an

alternative vision of social justice that does not differentiate between non-elites of different nations or between non-elites within nations. The struggles over globalization within nations are increasing, but we believe they need to be understood within the larger framework of globalization presented above. In this way, the contradictory processes of globalization can be consistently articulated throughout the global capitalist system.

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Globalization, Islam and Democracy

Abd-el-Kader Cheref

The last decade has been marked by rapid and dramatic economic, political, social, and technological changes on a worldwide scale. Transcending borders and accelerating people's ability to communicate and to trade across continents, this global revolution has been represented as the process of "globalization" or, as some view it, the "Coca-Colization" of the world!

Like the rest of the world, Muslim societies, from Morocco to Indonesia and from Gambia to Uzbekistan, have been profoundly affected by globalization. The lives of their peoples have been changed, as have their thought patterns, and sense of creative expression. Some have welcomed these changes, while others worry about the nature of the transformations taking place and the capacity of

those affected to respond appropriately. One of the underlying causes of such anxiety has been a multifaceted cultural concern: how to protect a unique heritage in the face of global pressure while upholding Islamic traditions; to preserve "linguistic purity;" to defend social institutions; and, ultimately, to maintain a viable identity in the midst of a rapidly changing global environment.

The world is marching toward greater economic integration. Borders between countries are disappearing in this new era. There is now an imperceptible freedom of movement of commodities, labor, capital, and information to anywhere on the planet. But, for some Islamic countries, all the fundamentals of the process of globalization have been implemented over the past decade as "structural adjustment programs." Some of the Muslim countries have deregulated foreign investment, liberalized their imports, revoked currency controls, emasculated the direct socioeconomic role of the state, hampered the public sector, and laid off thousands of workers.

Globalization has economic roots and political repercussions, but it has also brought into focus the power of culture in this global environment –the power to unite and to divide in a time when the tensions between integration and separation tug at every issue that is relevant to international relations. In this regard, 9/11 generated a new type of terrorism –global in its structure and objectives. A terrorism with no claims, i.e., not in the sense of claiming the independence of a given

country, or tangible political concessions, or the crowning of a particular regime. This new terror expresses itself as a denunciation of what Edward Said calls "the European Western Experience."

In the aftermath of 9/11, the West has feverishly looked at Hamas, Hizbullah, Al-Aqsa Brigades and even the PLO (viewed by large numbers of Muslims as Liberation Movements) as terrorist groups. So did President George W. Bush and his National Security Adviser Condoleeza Rice when they declared that these groups should be eliminated. Syria, Iran, and Iraq are also considered as part of "the evil axis." This illustrates the ambivalence of definitions in the West and in the Islamic World. What is defined as terrorism by the West is considered by the Islamic World as Jihad, a legitimate violence to achieve political ends.

Technology is not only revolutionizing the world; it is creating its own metaphors as well. Satellite-TV now enables people on opposite sides of the globe to be exposed regularly to a wide range of cultural stimuli. Viewers in North-Africa are hooked to European TV channels and Middle Eastern rulers have indicated CNN as a prime source for local news! The Internet is an increasingly global phenomenon with active development under way on every continent.

Technology has also devised the possibility and even the likelihood of a global culture. The Internet, fax machines, satellites, and cable TV have swept away the old national cultural boundaries. Global entertainment companies shape understandings and dreams of ordinary citizens, wherever they live. It is no wonder to see a shepherd, in the middle of nowhere, humming a Michael Jackson tune! Are local Islamic cultures, then, inevitably falling victim to a global "consumer" culture? When one considers the distribution of indigenous forms of representation like the Friday-prayer sermon, one should be optimistic.

Yet, media manipulation in some of the Islamic countries is everybody's secret. Severe government restrictions over everything bar their respective citizens from a genuine democracy. Not all of the 42 predominantly Muslim countries have made consequential strides toward the institution of a democratic system. And the only bloc resisting this worldwide tendency toward political pluralism and the alternation of power through the ballot box is to be found in the MENA region (the Middle East and North Africa).

Some analysts view this resistance to political change ingrained to Islamic culture. Well, it has nothing to do with Islam. Actually, the reality evidences the opposite. Rulers in many anti-democratic regimes in the Islamic world are secular figures who proscribe and criminalize political opponents and veto any election verdict that is incompatible

with their interests. These autocrats seem to ignore that Islam and democracy are an inevitable mix.

If the West views freedom of speech as the touchstone of a society's democratic and egalitarian values, in some of the Islamic societies this definition has a different implementation. It is subjected to the will of the rulers. In some of the Islamic countries there is only one state-owned TV channel. They are Orwellian in their conception and programs. There are also some private but dependent press in these countries. The audiences/readerships have simply turned to other media outlets. They turned to Al-Jazeera, CNN, LCI, Fox-News and BBC World for the news, MTV and VH1 for music, and French channels for documentaries and movies. This is, ultimately, one of the advantages of globalization.

Western academies usually consider Islamic expressions in a negative sense, as a hindrance to modernity and globalization. Muslim mentality should take the blame not Islam. It should be noted that Islam, right from the very outset has been a global message. As one peruses through the Qur'an, one will certainly find that it addresses the entire humanity and not just a specific ethnic group or community. Furthermore, the first Islamic state established by Prophet Muhammad was founded on a written constitution (Pact of Medina) guaranteeing

and protecting the rights of all minorities by which internationalizing the character of Medina society. Through his last sermon, the Prophet launched a New World Order and a declaration of human rights. This was the commencement of globalization of the human society. This historical fact is but a refutation of those allegations that the 9/11 attacks are a blow to globalization.

Islam, which ostensibly acknowledges Judaism and Christianity as its precursors in an Abrahamic monotheist religious tradition, also preaches equality, justice, and human dignity. Needless to point out that these ethoses had a significant role in occurrences as disparate as The Christian Reformation in 1517, the American Revolution in 1776, and the French Revolution in 1789. Islam encompasses principles and practices that are consistent with political pluralism. Among this modus operandi we can mention Ijma (consensus), Ijtihad (interpretation, individual inference), and Shura (consultation).

Neither Islam nor its culture is the major impediment to political modernity, even if undemocratic rulers periodically use Islam as their excuse. In some of the Islamic countries the ruling groups relied on Islam to justify their rule. Islam's teachings have been selectively modeled to bolster their authoritarian corrupt systems. They have perverted a Qur'anic verse that clearly condemns the use of religion for material or hegemonic purposes: "O mankind! We created you from a

male and a female, and made you into nations and tribes, that you may know each other." (Koran 49:13)

If Wahhabism was so nocuous in Afghanistan at the time of the Taliban regime, Ba'athism in Iraq or lingering communism in some former "Soviet Central Asian Republics" brook no real opposition. Ironically, many of these belief systems were customized on Western ideologies; Ba'athism, for instance, was influenced by the European Socialism of the 1930's and 1940's. Everybody knows that these dogmas gave birth to Nazism in Germany, Fascism in Italy and Spain, and, most of all, paved the way to Auschwitz.

Globalization radically offers to all citizens of the world the chance to construct their individual cultural identities through voluntary action, according to their penchants and intimate motivations. Now, citizens are not always required, as in the past and in so many other places in the present, to honor an identity that imprisons them in a concentration camp from which they can never escape. In this regard, globalization must be embraced because it significantly expands the horizons of individual liberty. Muslims now want political, economic, and social systems that better their lives, and in which they have some say. They want a system which features majority rule, fraud-free elections, a free independent press, protection of minority groups, equality of political

parties, and full women's rights in everything from the top dollar job in government to the right to have a driving license.

Refuting the opinion that Islam is the future global adversary of the West, the Tunisian Muslim scholar, Rashid Ghannouchi, stated that cultural or religious differences do not justify conflict, but instead can provide ground for cooperation rooted in a mutual recognition of complementarily. "We appeal for and work to establish dialogue between Islam and the West, for the world now is but a small village and there is no reason to deny the Other's existence. Otherwise, we are all doomed to annihilation and the destruction of the world."

Conferences Held in Iran

The Seventeenth International Conference on Islamic Unity

The Seventeenth International Conference on Islamic Unity with the Slogan of Islamic Awakening, Future Prospects and Guidance was inaugurated in April in Tehran. A large number of scholars from various parts of the Islamic world participated in the conference. Delivering a speech at the inauguration ceremonies, Ayatollah Akbar Hashemi Rafsanjani, the Chairman of the State Expediency Council, analyzing the developments in the Islamic world, elaborated on the ways for materialization of unity among the Muslims. The participants discussed various issues in the field of culture, politics and other fields. Some of the staff of the Islamic Thought Foundation participated in the conference. The Minister of Culture and Islamic Guidance Ahmad Masjid Jame'i and Ayatollah Taskhiri delivered speeches at the concluding ceremonies.

Cultural-Social Issues and Globalization

A nationwide conference was held on Cultural-Social Issues and Globalization in Tehran. Hoj. Qomi, the Representative of the Leader of the Islamic Revolution in the Universities, presented a paper on the Role of Women in the History and Islam's Attitude towards Women.

The role of women is clear in all stages and arenas of history, he said, adding that anybody denying this fact will be unfair to himself.

If women return to their innate self, they can work even miracles, he said and added that the Iranian women in the course of the Islamic Revolution played an outstanding role in Iran. He also added that the number of girl students in Iran has increased nine folds, while the number of university faculty members has increased four folds.

Role of Women in International Developments

Ayatollah Amid Zanjani presented a paper at the conference on Cultural-Social Issues and Globalization. He discussed the Role of Women in International Developments. Women are essentially cultural beings, he said, adding that if we accept this principle, we can fairly evaluate the cultural features of women. The most attracting role to be assigned to the women is motherhood, he said, but lamented that due attention is not paid to this fact nowadays. Any role that undermines the role of motherhood is not approved of, he said. The best role model for women today is Hazrat Fatima, he added.

According to Ms. Qavi, the Secretary of the conference some 175 articles on women and globalization had been dispatched to the Secretariat of the conference. One-third of the papers were given by the students and the rest by the university professors. Some 150 of the articles have been written by the Iranian scholars and the rest by the foreign scholars

International Conference on Islamic Revolution and Future Prospects

The International Conference of Islamic Revolution and Future Prospect was held in September in Tehran. The conference was cosponsored by the Islamic Culture and Relations Organization, Islamic Republic of Iran Broadcasting Organization, the University of Tehran and the Institute for International and Political Studies.

Scholars from 30 countries participated in the conference. The main subjects of the conference included the following:
The Islamic Revolution and the Social Theories; The Islamic Revolution and the Idea of Revision; The Islamic Revolution and the Today's World; and The Achievements of the Islamic Revolution.

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